The World Problem

Capital, Labor, and the Church

JOSEPH HUSSLEIN, S.J.

Rev. T. J. Woods

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CAPITAL, LABOR, AND THE CHURCH

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"*The desire of money is the root of all evils.*" — 1 Tim. vi: 10

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PREFACE

Message of Cardinal Bourne

The social message of the Catholic Church is of interest to all mankind. Her wisdom aided in solving the greatest of social problems in the past, and her lessons are of equal importance in the present time. Hence it is to all alike that this book is addressed. In its plain exposition of Catholic morality and its application of historic facts there is no animosity or ill will towards any person, whether capitalist or laborer, Catholic or Protestant, Jew or unbeliever, but a burning desire to be of service to all.

Though issued in time of war and serving as a preparation for the return of peace, the book is not restricted in its purpose to any particular period. It deals with the fundamental problems of modern life and with the unchanging principles of social justice and Christian charity as studied from the Catholic point of view. It is a work, therefore, equally necessary in all seasons.

In place of personally setting forth the peculiar

nature and importance of his theme, the author is happy to avail himself of the opportunity of having for his spokesman no less an authority than the eloquent Cardinal Archbishop of Westminster, whose stirring pastoral on "Catholics and Social Reform" was published just as the following chapters were practically completed. The words of the illustrious prelate contain in brief the same message that the writer has sought to convey in greater detail.

The world, as the Cardinal says, is looking forward to a new order of things, new social conditions, and new relations between the different sections of society. In this transformation the Catholic Church is best prepared to take a leading part, as she has so gloriously done in no less critical periods of history. The new social order that she proposes is firmly based on Christian principles. Her present task is to preserve whatever is true and noble in modern civilization, and to direct, with her wisdom of twenty centuries, the rightful development of all just democratic ideals which nowhere find a more profound response than within her breast.

Her principles of social reform cannot fail to recommend themselves to the millions of men and

women, not in one country only, but over all the earth. Says Cardinal Bourne:

"There are certain leading features of the modern labor unrest which, though their expressions may be crude and exaggerated, we recognize as the true lineaments of the Christian spirit. Its passion for fair treatment and for liberty; its resentment at bureaucratic interferences with family life; its desire for self-realization and opportunities of education; above all, its conviction that persons are of more value than property — these surely give us points of contact and promise a sympathetic welcome to our message.

"We have only to show what is involved in these excellent ideals, for which we ourselves have labored and suffered — how there can be no rights without duties, how liberty implies responsibility, how suicidal is class war, how the Commandments of God are not only an obligation but a protection for man.

"If we review the main principles of Catholic social teaching we shall observe how many of the utterances of 'modern unrest' are merely exaggerated or confused statements of those very principles; and since, as has been truly said, 'the

Catholic Church is not afraid of enthusiasm,' we should not find it hard to put before the most ardent their own ideals, in a more coherent and satisfying form than they could do it for themselves.

"If they take their stand upon the dignity of man, whether rich or poor, we can show them how every human being, created by God and redeemed by Christ, has a much greater dignity than they had dreamt of. If they claim for every human being a right to a share in the fruits of the earth, a right to live a life worthy of man, we endorse that claim with Divine sanctions. If they protest against industrial insecurity and the concentration of capital in a few hands, we point out how they are suffering from the blow aimed at the Catholic Church in the sixteenth century. If they have had a hard fight to establish the right of association in trades unions, it was because the Catholic voice had been silenced in the land. If their instinct for education and self-realization has been stirred, it is but the awakening of an instinct developed among the people in Catholic days before our universities and secondary schools were diverted from their original purpose.

"When once people come to see that we share

their aspirations they will be more ready to listen when we show them what those aspirations involve. They will learn to distrust false prophets and specious theorists. They will understand how might is not right; how society is not a conglomeration of warring atoms, but a brotherhood; how the family, which is the bulwark of liberty, would be injured by the introduction of divorce or the weakening of parental authority; how property has its rights, however much those rights may have been exaggerated; that cordial cooperation among all classes of society is necessary if their ideals are to be realized.

"Understanding all these truths as parts of one Christian scheme of life, may we not hope that the people of this country will come to have a new conception of what Christianity means? Finding a guide whom they can trust in the complex social problems of today, will they not examine the claims of the Catholic Church to guide them in those religious perplexities which, under the pressure of war, they are beginning to feel?

"If, then, it be true that there are many ears open to receive our voice, should we Catholics remain apathetic at this critical moment? The opportunity may never come again. If we stand

aside from the social movements of the day, they will go forward without us, and our message may never be delivered. 'Civil society, no less than religion, is imperiled; it is the sacred duty of every right-minded man to be up in defense of both the one and the other.'"

It is not the writer's purpose to maintain that correct Social principles cannot and do not exist outside the Catholic Church. He well understands that many of these principles are "part of the natural law, written on the conscience of mankind, and ascertainable and observable by the light of unaided reason." He admits no less readily that Catholics themselves may violate them in practice, and often have done so. Hence it is far from his wish to maintain that a universal conversion to Catholicism would of itself solve every social problem.

His sole contention is that a reasonable application of the teachings and approved traditions of the Church to the economic and social problems of any period will point the right way for those willing to follow it. He has therefore sought to interpret, as best he could, the mind of the Church on practically all the actual issues of Capital and Labor.

THE WORLD PROBLEM

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CHAPTER I

SUPPRESSED CATHOLICISM OF LABOR

"IT seems to me," wrote Father Plater, "that the working classes of this country are suffering from suppressed Catholicism. The old pre-Reformation instincts for freedom and security have broken the husk of an un-Christian economic theory and practice." What is said of England is true of the entire world. Suppressed Catholicism is at the heart of the labor movement. Suppressed Catholicism is at the center of the great social unrest. Suppressed Catholicism is the spirit struggling for liberation beneath the crackling, breaking, bursting shell of an unnatural and un-Christian social order. It is the pre-Reformation spirit of social freedom, which the Church can best prevent from degenerating into lawlessness or injustice once it has achieved its liberation.

The Church does not make common cause with Socialism in its opposition to private capital, nor would the labor movement ever do so, unless deceived or betrayed by false leaders. But the Church is opposed in the most unqualified way to the selfish spirit of rationalistic capitalism that sprang into being after the Reformation and continued in its development until the great world war. There is no possible defense of a system which permitted the accmulation of mountainous fortunes by a few clever and often highly unscrupulous financiers who held in their hands the fate of millions of their fellow-men, and had in their grasp the power of the press by which they formed the opinions of the very people who helplessly looked to them for their dole of daily bread.

Shortly after the outbreak of the Great War it was calculated that four per cent of the population of England held ninety per cent of all the wealth. In the United States, it was claimed, sixty per cent of the wealth was owned by two per cent of the people, while at the other extreme of the social scale sixty-five per cent of the population representing the labor element, the main factor in the production of wealth, possessed no

more than five per cent of the total riches of the land. Need we wonder that the Church calls upon us all to aid in bringing about a more reasonable and universal distribution of private ownership by means of an equitable social legislation?

Pass through the fashionable streets of New York during almost any month, from the first pleasant days of spring to the fall of the last leaves in autumn, and you will see the blinds of the houses closed and the doors boarded: no one at home, except perhaps a few servants in care of the forsaken premises on which a fortune was expended. While some members of these households are doubtless engaged in providing for their business interests, others are mere parasites of society, motoring through the land in search of pleasure and excitement or living lavishly in seaside villas and hotels, surrounded, it may be, with a retinue of servants. Then pass through the congested streets, into which a few steps will lead you, and see the poverty, squalor and human misery on every hand.

Such excess of wealth is dangerous for the possessor, since we have the Divine assurance that it will be as difficult for him to enter into Heaven as for the camel to pass through the eye of the

needle. It is possible, Christ tells us; but only by the grace of God and on condition that all seriously inordinate affection for his wealth is cast aside and that the money be used in the true spirit of Christian stewardship.

Not such is the doctrine of that capitalism which sprang up after the rejection of the Catholic religion. Its main tenet was that each man might use his wealth as he pleased and its main purpose was to accumulate still greater riches and to acquire more exclusive control of the gigantic modern industries and commercial enterprises.

Such excess of wealth is equally dangerous for the poor who behold the toppling fortunes of the rich growing ever more portentous and eye askance the idle lives of so many of our dames of wealth, whose sole concept of their purpose in life appears to be little more than personal comfort and social pleasure. No matter that the workers themselves may be drawing larger wages, they see the stupendous contrast between themselves and so many of the selfish or idle rich, whose wealth in countless instances has been accumulated by methods socially and religiously unsound and unjustifiable.

The Church does not, like Socialism, cultivate

that constantly growing spirit of enmity, jealousy and hatred which threatens to submerge the entire world in the tremendous cataclysm of universal social revolution. It is not in these passions that the suppressed Catholicism consists, which is at the heart of the labor movement. They are only the excesses to which the movement itself will doubtless lead if not controlled by the principles of Christianity as interpreted by the one Church which Christ has founded. She alone comes down from Him through all the centuries to bring His message to the laborer of our day. At the present moment of social reconstruction it is more important than ever before that this message be placed before the world in all its strength and clearness. Capital and labor alike must heed it if they would avert the threatened catastrophe.

The assumption is not made by the Church, nor does labor itself make it, that all employers and capitalists are in harmony with the spirit of selfish, post-Reformation capitalism which the Church condemns in words as severe as any that have yet been spoken, though they are uttered by her in a spirit of Christian restraint and charity. Sincere Christian employers and capitalists are themselves eager to be freed from a system which they

know to be false and unacceptable, but with which they are obliged to compete if they would not be submerged in the stream against which they are struggling. They, too, are suffering from that suppressed Catholicism which is at the heart of the masses who have not as yet been totally perverted by a hopeless atheistic radicalism.

The Church does not join in the Socialistic hue and cry against private capital in itself. The Church strictly condemns the Socialist doctrine of an essential class struggle between capital and labor, but insists upon the possibility as well as the duty of a friendly cooperation. In the last of his regulations on Christian Democracy, Pope Pius X particularly admonishes Catholic writers that, in taking up the cause of the poorer classes, they may not use language that might arouse hostility in the heart of the people, nor speak of claims of justice where there is question of the obligations of charity: "Let them remember that Jesus Christ desires to unite all men in the bond of mutual charity, which is the perfection of justice and binds us all to strive for the good of one another" (*Christian Popular Action*). There is no need of a class war. All that is required is social legislation along Catholic lines,

which will secure the welfare, not of a favored few, but of the entire community. Such, too, is the sentiment of the more reasonable labor element.

It is an entirely false notion that the enormous fortunes of our day are an economic necessity, and that social legislation which would curb them in future and give as many as possible a share in productive ownership is detrimental to the large scale industries required in our time. It is now commonly admitted, in the first place, that such enterprises can readily reach a stage of development when, because of their vastness, they cease to be economic, and when smaller competitive enterprises would be more productive and less wasteful.

Moreover it is not impossible to conduct extensive undertakings, and at the same time impose such conditions that the greatest number can share in the ownership and control of the industry. The wrongful manipulation of stocks and all similar methods must be abolished. By such cunning and selfish devices a few have been able to skim the cream of the entire wealth produced so as to leave merely the bluish remnant to be divided among the uninitiated holders of shares,

who were deceived in common with the general public.

However radical labor may seek to pervert the popular mind, and however organized labor may at times fall under the spell of radical principles and allow itself to be deceived into accepting them, yet the great demand at the heart of honest labor is that all privilege should be swept away, which leads to abuse and to inordinate profits, and that the common welfare should be consulted in all things. Here is precisely what we understand by the suppressed Catholicism of labor. It is this which the Church likewise demands with the utmost insistence.

In the days of the Catholic gilds large fortunes by industrial profits were rendered impossible by the restrictions placed upon employers, in regard to the purchase of the raw material, the number of journeymen and apprentices they might engage in their workshops and so on. The object was to prevent any single man or group of men from controlling the labor market or monopolizing a local trade. Every man was enabled to gain an honest livelihood, and no man was permitted to grow enormously rich through the labor of others. No man might ply two

trades. Times have changed, but there is no reason why the underlying principles cannot be applied again through legislation that is adapted to our own economic era.

It is suppressed Catholicism, the newly awakened spirit of pre-Reformation Christianity, and not Socialism that is at the heart of the laboring man. The Catholic principles of the widest diffusion of ownership would be gladly accepted by him rather than the Socialist ideal of the destruction of all economic freedom and the impossibility of ever acquiring a personal title to productive ownership — an ideal which Socialists have been constrained to modify. He has seen enough of political chicanery and should have learned to pause before entrusting his whole future fate and fortune to the tyranny of Socialist politicians in power. Yet the danger of Socialism lies not in its positive constructive program, but in the fact that it appeals to the laborer as the one political party specially designed for him and for his interests, the only party that is wholly devoted to him alone. Under such specious pretexts the Socialist canvasser may gain the laborer's vote.

The lesson is obvious. Catholics must clearly

and succinctly propose their own principles, which labor will not fail to welcome. Capital, too, which is not consumed with the one purpose of enriching itself at the expense of workmen, will understand the Christian spirit of our program. As for the radicals of labor and of capital alike, we can hope nothing from them but war to the bitter end. We shall have with us the great body of the workers in our honest fight against these vultures of society with whom we can make no truce and from whom we expect no concessions.

Finally it is true that false notions upon many vital questions have taken possession of the popular mind. Here is the supreme difficulty we are facing in our work of social reconstruction. If all the world were Catholic we could appeal to it in a language intelligible to all. As things now are there is no power to restrain the passions of men or to overrule their prejudices. There can be no greater social work than that which consists in bringing men back once more into the one true Fold.

CHAPTER II

OUR SOCIAL AND ECONOMIC PROBLEMS

BRIEFLY to summarize the varied and perplexing problems of our modern life is no slight task. Volumes would not suffice to deal with them exhaustively. Libraries have been written upon them without attaining to a final solution. Yet it will not be impossible to offer at least a general view of the social and economic field, and to present in a comprehensive panorama the manifold issues which today are so mightily whirling up the dust upon our little planet.

We must bear in mind that the picture here given is not typical of the entire social order. Its sole aim is to acquaint the reader with the existing difficulties and with the prevalent abuses that call for a remedy. Hence we speak of them as "problems." To confine ourselves exclusively to a portrayal of these extreme evils in our industrial conditions, and thence to generalize, as is too

often done, would be no less unjust than revolutionary. There is no reason for despair, but there is every reason for strong and earnest Christian endeavor to bring about the establishment of a true Christian order of society. For this purpose we must squarely face the existing vices and abuses without permitting ourselves to fall into Socialistic exaggeration. So only shall we be able to cooperate intelligently and zealously for the common welfare.

The picture given is not that of the world of industry in the throes of war, when employment is plentiful and laborers are few, but of the economic and social problems as they arise in the days of peace. For war-time conditions abnormal legislation is required; and the spirit of patriotism is stronger than any sanction that law can enact. But far more difficult is the work of social reform when the sword is again turned into the plowshare and the cannons are forged into anvil and hammer.

Many and complex are the forms assumed by the great social question. We meet with it, in the first place, upon the land wherever the railway or the middleman absorb the profit of the small farmer; wherever through the iniquitous extor-

tion practised upon him his fruits are left to rot in the fields, and his cattle are excluded from the market, while in the large cities men are starving; wherever, in fine, changed conditions call for new adjustments or cooperation, and where the land is left untilled while towns are overcrowded with laborers; this we call the "Agrarian Problem."

We meet with it next in the industrial world, wherever labor is exploited by the wealthy employer, and its service is procured at the lowest wages, for the longest hours and amid the hardest conditions which competition and unemployment can force the toiler to accept. Or else the tables are turned, and labor, through the radical influences exerted upon it, becomes equally unreasonable in its demands. This we call the "Labor Problem."

We face it, again, in the large number of willing and able-bodied men who, from time to time, may be observed wandering about through the city streets with hopeless looks and sinking hearts in search for work where none is to be found. Everywhere the tragic sign, "No Help Needed!" To those who have eyes to see and hearts to feel it tells the tale of many a heart-breaking scene of despondency and perhaps of despair, of bare

homes and weeping women and children clamoring for bread. This we call the " Problem of the Unemployed."

We have had it daily thrust upon our notice in the strikes and lockouts; the sabotage, violence and labor litigations; the unfair advantages at times taken by labor, as well as by capital, accordingly as the scale inclined one way or another. Socialists call this the " Class Struggle." They claim it is essential to our present order. But we know that it is not ultimately the outcome of economic conditions. It is the result of modern irreligion in which the social evils that afflict us have bred like maggots in a decaying body. The theories of Socialism carried into effect would leave society in an even worse state than before.

We see it staring at us in the congested, squalid, malodorous quarters where the poorest of the poor are hoveled, happy that unlike so many others they have at least a " home." We see it in the dingy tenement and cabin, where at times an entire family possesses only a single room, where human beings live in stifling apartments that have not even a window looking out upon God's free heaven, but only doors that open into still other apartments. This we call the " Hous-

ing Problem." Greater perhaps than we may have ever imagined for ourselves is the army of those whose whole existence is described in the modern poet's words:

> All life moving to one measure —
> Daily bread, daily bread —
> Bread of life, and bread of labor,
> Bread of bitterness and sorrow,
> Hand-to-mouth and no tomorrow,
> Dearth for house-mate, dearth for neighbor,
> Yet when all the babes are fed,
> Love, are there no crumbs to treasure?

How appalling in size this army still remains in normal times, in spite of great improvement in labor conditions, becomes apparent with almost every strike. Frequently, no doubt, the reason for these untoward conditions is to be found in the absence of thrift on the part of the laborer and in unnecessary spending above his daily income. Here again we are only face to face with another problem of our times. But genuine poverty is plentiful enough, and with this too often is combined the absence of that religion which might remove so much bitterness and make poverty itself meritorious for heaven while giving men courage to struggle for better conditions. Who, moreover, can tell the story of the poor

girls and women who too often in the past have barely been able to sustain life upon their paltry earnings, yet have striven perhaps to support with it a little sister or brother, a mother or a bed-ridden father. We are here in close touch with the most trying phase of the "Problem of the High Cost of Living."

Side by side with this must be placed that foremost problem of our day, called into being by our modern paganism and its inordinate desire for luxury and pleasure. We refer to the senseless extravagance practised on the part of labor as well as of wealth, which is fittingly designated, in contrast with the former, as the "Problem of the Cost of High Living." Men and women are not content with living according to their state of life and within the limits of their income, even when adequate and generous, but extravagant expenses are looked upon as a necessity. Thrift is scorned. Socialism seeks for its own ends to promote this spirit to the utmost among the labor population, in order to foment discontent and feed the fires of revolution.

There is no need of describing in detail the problem of the unnecessary Sunday labor, carried on in many of our industries; the seven-day labor

where shifts of men could readily be used; the long hours which often through sheer fatigue end in industrial accidents; and the dreadful occupational diseases which could be lessened or avoided at the cost of a little reduction of unholy dividends. Above all there are the child and woman problems in the industry of our day, with their endless complications and the frequent abuses they suggest; and lastly, to proceed no further, there remains the all-important problem of social legislation. The abuses in our system of trusts and the abominations of selfish monopolies will fall under this last heading.

Another menace of our times, both of a social and economic nature, are the lives of the idle rich who are wasting their existence in a round of vapid pleasures and vulgar display, expending on their pampered lapdogs and even more unworthy objects the time that should be devoted to charity, prayer and good works. They are rotting in luxury and ease, while poor starved creatures in dark attics are perhaps working at the finery that is to deck their sinful bodies. They too are feeding the fires of revolution in the hearts of the masses, and are heaping up for themselves a fearful retribution in proportion to the opportunities which

were given them for aiding their neighbor. Terrible is the warning of our Divine Lord:

> Then shall He say to them also that shall be on His left hand: Depart from Me you cursed, into everlasting fire which was prepared for the devil and his angels. For I was hungry, and you gave Me not to eat; I was thirsty, and you gave Me not to drink. I was a stranger and you took Me not in; naked, and you covered Me not; sick and in prison, and you did not visit Me. . . . Amen I say to you, as long as you did it not to one of these least, neither did you do it to Me. (*Matth. xxv,* 41 *sqq.*)

There are in fine the many economic phases of the great woman problem. Some of these are intimately connected with the evils already enumerated. Others are due to a false idea of equality and independence. If woman sets aside her modesty, as many openly advocate; if woman loses her domestic affection, her religious instincts and devotion, her womanliness; if she no longer recognizes her true ideal in the Mother of God, whose soul was wrapped in her Child and Saviour, and whose heart was obedient to Joseph her husband, then paganism has returned and the deluge is upon us. We may mention here in passing, though not directly connected with the subject of this volume, the problem of vice and the abominations of the sex questions into which modern rationalism has plunged the world. And, not the least subversive

to morality, religion, and the common welfare, there is the problem of the social "uplifter," the pest of our present-day civilization, who would reform the world without God.

We have pictured exclusively the dark side of existing conditions. It would be pessimistic, as we have stated in the beginning, to hint that such is the entire existing order.

In the labor world particularly, with which we are concerned in the present volume, a decided improvement has doubtless taken place in regard to remuneration and working conditions. Balancing the increase in prices during normal periods with the increase of wages, we can readily admit that the position of the workingman today is better than was that of his predecessor. Many even of the most radical writers have rejected the Marxian theory of an absolute deterioration in the conditions of labor and content themselves with proclaiming and defending only a relative deterioration. They admit that the remuneration received by the workingman has indeed increased, but see in this no reason for satisfaction, since the profits of the capitalist, they argue, have augmented still more. The earnings of the laborer, they hold, have not kept pace with the gains of

the employer. Both classes have bettered their condition, but the progress of capital has been greater than that of the working classes. This statement is made the starting point for new social agitation. The sins of the modern profiteer, that cry to heaven, are as oil cast into the flame of a mighty discontent.

That profits have often been utterly unreasonable and unjust no one can deny. Small competitors have been deliberately pushed to the wall in order that large enterprises might arbitrarily dictate their excessive prices. Pools, trusts and monopolies have not been the only offenders. Big business, even under open competition, has often successfully created and maintained exaggerated prices.

Labor, moreover, has had many just grievances in industries where conditions were far from ideal and wages often pitifully low. Capital on the other hand is often making honest efforts, not only to do justice towards its employees, but to deal with them in a Christian way. Men of high character are plentiful on both sides. Too frequently, however, they have not the safe guidance of the true Faith to point out to them the principles they should follow, or they have been borne along

blindly upon the current of the times. It is impossible to conceive rightly of the great question of wages and profits without keeping in sight the end for which man was created. With this lost to view, there is no hope of any final solution of our social problems.

Could wages and profits themselves be abolished for a short space the ancient evil would still return under other forms. It is old as the serpent in Paradise. It is seated deep in the unregenerated heart of man. For this reason Christ was born in a stable and cradled in a manger that men might know that there are higher things and nobler aims than gain and pleasure. So the rich should learn to be liberal and humble and the poor to refrain from envy. From the Crib of Bethlehem streams the light in which alone can be rightly judged the great economic issues of the day.

CHAPTER III

THE SUBSTANCE OF SOCIALISM

FREQUENT reference is made to Socialism in the present volume. That objection may not be taken to the views expressed upon this subject, it is important to state that there is question throughout of orthodox Socialism, pure and undiluted. The reason for this will at once become apparent.

The economic doctrine of Socialism is all centralized in the common Socialist ownership of the means of production and distribution. Such ownership may evidently be more or less complete. Hence the various forms of Socialism, on its economic side, may vary endlessly according to the proposed degree of this Socialist ownership. To the same degree, also, will the general criticism of Socialism apply to any particular form of it.

Socialism, in its complete acceptance, postulates in the first place the absolute public ownership of the land. Small farmers may be permitted to cul-

tivate their former holdings, but on the understanding that the absolute ownership is not vested in them, but in the Socialist commonwealth. Such was the doctrine expressly included in a former plank of the American Socialist platform. As regards all other means of production and distribution, classical Socialism in general permitted the private ownership of such means only as are privately used. Where a larger freedom was extended the limits were to be strictly drawn as soon as any private ownership implied the use of wage-labor. Together with the destruction of the wage-system, orthodox Socialism proposed the complete abolition of all profit, rent and interest.

This may be taken as a moderate statement of the doctrine of genuine Socialism, as it can be gathered from the literature promulgated by the Socialist parties throughout the world. Proceeding from this as the central starting point we meet with every possible variety of view, accordingly as each individual Socialist proposes for his ideal a more or less complete "socialization" of the means of production and distribution, until we arrive at the very periphery of Socialism in the doctrine which contents itself with "Applying public ownership and democratic direction only to

those things which are essentially collectivistic in their nature." A little straining of this definition and we fly loose from Socialism altogether.

This very vagueness has greatly helped in the political promotion of Socialism. The points most earnestly insisted upon by party politicians and in party platforms were often those least connected with Socialism. Men, merely incensed at the abuses existing under the capitalistic system and eager to establish a more equitable distribution of ownership and a sounder social legislation, which would make impossible the exploitation of unskilled labor and the open robbery of the long-suffering public by a few unconscionable capitalists, straightway imagined themselves to be Socialists. It was in reality the fire of Catholicism that was burning at their heart, and they mistook it for Socialism. Faith alone was wanting.

Even the extension of Government ownership to public service utilities and to certain natural or "artificial" monopolies is spoken of as "State Socialism," although within proper limits and under reasonable conditions, when such measures are demanded by the common good, it may fully meet with all the requirements of Christian Democracy as championed by the Church. Orthodox Social-

ists admit no such confusion of ideas: "Let us clear things up," says the New York *Call*, "by stating that we know 'State Socialism' is not Socialism." (Jan. 5, 1918.) But they regard it as a stepping stone in the way that leads to Socialism and quote to this effect the words of Engels, who with Marx is the common founder of modern Socialism:

> Whilst the capitalist mode of production more and more completely transforms the great majority of the population into proletarians, it creates the power which, under penalty of its own destruction, is forced to accomplish this revolution. Whilst it necessitates more and more the transformation of the vast means of production, already socialized, into State property, it shows itself the way to accomplish this revolution. The proletariat seizes political power and turns the means of production into State property.

That is, into Socialist State property. For there is then to be neither class nor State, according to Engels and the *Call*, but only Socialism. On definite details no Socialists can agree.

Thus the "modern State" will be abolished and give way to Socialism in the opinion of orthodox Socialists, and the first step towards this is considered to be the State ownership of the productive forces. The statement is true in so far as it points out the danger of the modern tendency towards public ownership when unregulated by

Christian motives and principles. The results, under such conditions, can fruitfully be studied in all instances where genuine Socialism achieved a temporary supremacy. A real state of Socialism would be as durable as a utopia built in the clouds.

The attitude of the Church towards property is one of impartial justice. She defends the possession of private productive property, but only to the extent that it does not interfere with the common good. The attitude of Socialism is the very opposite. It will merely tolerate such possession to the extent that it does not interfere with its own ideal of public ownership. It will obviously not be possible nor necessary to take into consideration every variety of Socialist opinion. But the strictures passed upon orthodox Socialism, as we have said, will hold true to a greater or less extent of every form of Socialism, accordingly as it more or less closely approximates to the genuine Socialist ideal, which would simply make "land and capital" the common possession of the Socialistically controlled community.

The greatest danger of Socialism lies in its materialistic philosophy. This, we are repeatedly told by its political advocates, is non-essential.

The truth, however, is that the literature of Socialism, both its " classics " and its current journalism, is hopelessly permeated with a spirit of intolerant rationalism and materialism. The hostility of Socialism towards the Church of Christ in every country of the earth is a matter of history. The Socialist press of today is no less filled with venom and animosity than in any period of the past. All the social vices of the day, from laxity of the marriage bond to birth control, find there an open forum. Modern civilization is far more imperiled by the philosophy of Socialism than by all its economic errors.

The attitude of the Church towards Socialists themselves, at least those who have been misled to follow its will-o'-the-wisp, is one of sorrow and not of anger. The situation was analyzed with admirable skill in the Pastoral Address of the Archbishops and Bishops of Ireland, assembled in special meeting at Maynooth, February 11, 1914, when they thus explained the motives that too often led men into a mistaken acceptance of Socialism:

> The desire of ownership which, within due bounds, is natural and legitimate in man and may be highly commendable, springs from the laudable purpose of providing a stable way for himself and those depending upon him. The real explanation why

multitudes of men, otherwise as good as their neighbors, have swelled the ranks of Socialism seems to be, not that they hated private property on principle, but that by nature and in fact they loved to have it, and saw no avenue leading to participation in it except the fantastic way that opens on the dismal swamp where there is to be State ownership of the instruments of production and distribution, and State intrusion everywhere.

It is, indeed, the duty of the State to see that the natural resources are turned to good account for the support and welfare of all the people; and, consequently, the State or municipality should acquire, always for compensation, those agencies of production, and those agencies only, in which the public interest demands that public property rather than private ownership should exist.

Here then is the Catholic point of view both of Socialism and of that State ownership, of which we shall have more to say in future chapters. Voluntary communism of any kind, which does not wish to impose its methods upon others, is quite another matter.

It is far more important, we are tempted to say, to make clear what is not Socialism than to define Socialism itself. "Every Socialist propagandist," says Spargo, "has had the experience of advocating the Socialist program without using the label, and finding his auditors in agreement so long as the label was not applied, while the moment the word 'Socialism' was attached the very persons who had approved the program were shocked into solemn opposition." There is good reason for

such an attitude. The measures proposed were in every probability, aside from Socialist exaggerations, as remote from Socialism as the Church itself. The ulterior purpose was probably not disclosed until the word itself was used.

The essentially Catholic social reforms, though generally proposed in a distorted way and with the spirit of class antagonism, are the main attractions Socialist politicians use. They are a simple application of the doctrines of the Church which were put into practice in the best days of the Catholic gilds and which are no less strongly proclaimed in our day. "Most of what Socialists aim at," Kropotkin honestly confesses, "existed in the medieval city." All that is profoundly true in the doctrine of human brotherhood; in the theories of cooperation, public ownership or control; in the opposition to every form of exploitation and oppression; in the desire for a wider and more real liberty and self-development, and the determination to sweep from the face of the earth forever the spirit of Mammonism with its Molloch sacrifices of human lives and human happiness, is purely Catholic and ancient as the Church. Again and again she alone has succeeded in bringing back justice and charity to earth, in propor-

tion as her teachings were faithfully observed; and again and again tyranny and economic oppression have been the result of every temporary weakening of her influence. The latest example is that of the Reformation against whose social and economic effects Socialism is no less a protest than is the Catholic Church itself. But what Socialism can never achieve, the teachings and ideals of the Church can accomplish if duly applied.

In contrast to the enforced collectivism of Socialism, based on false ethical principles that invert the social order, the Church offers full liberty for every measure of public ownership that the common good requires — but no more — and for those fraternal systems of cooperation where ownership is vested, not in the public, but in the individual workingman. She teaches that man is not made for the State, but the State for man, even as her Divine Lord was obliged to insist with His Pharisaic critics that man was not made for the Sabbath, but the Sabbath for man. God is Lord both of man and the Sabbath, as He is Lord of both the individual and the State, who alike must obey His commandment. Hence there can hardly be a worse heresy to be imagined than the Socialist catchword that "Religion is a private matter."

The Church is not instituted as a teacher ot economics, but the principles of the Gospel must regulate our social, economic, public and even international relations. The voice of the Church of Christ may not be ignored in the social issues of the day, except at the general peril.

To the Socialist abolition of classes the Church opposes the unity of all members of the commonwealth in one Christian solidarity, where the interests of each are the interests of all, and the interests of all are the interests of each.

The fantastic doctrine of equality, in defiance of nature and nature's God, has largely given way in Socialist circles to the demand for an equality of opportunity. But where has there ever been such equality of opportunity as within the Church herself, where the most despised slave might attain to the honors of the chair of Peter, and more than once had actually done so in the past, while men from every rank and class have in modern times governed the Church of God? There is no measure of equality of opportunity, within right reason and the law of God, that the Catholic Church will not gladly bless and approve. What more can we desire?

The equality that Socialism would promote can

be tested by the intolerance that everywhere is active within its ranks, an intolerance which, through all its history, has reached titanic proportions wherever the interests of the Church were at stake.

Yet the Church, we repeat, has no animosity towards the person of the Socialist. Whatever is good in Socialism, as it is popularly proposed, is essentially her own without exaggeration, class-bitterness or hatred. For countless earnest and sincere Socialist followers the step to the Catholic Church should be exceedingly easy and simple.

The great protagonist of Catholic truth in the United States, Orestes Brownson, had first been a radical Socialist. Many of her most active, alert and zealous lay champions today had once been Socialists. With nothing but good will towards all, she stands with arms extended to give welcome to all who from the errors of Socialism would arise to the heights of her own ideals of Christian Democracy.

CHAPTER IV

RATIONALISTIC CAPITALISM

THERE is a vast difference between the system of rationalistic capitalism, by which we here understand the modern commercialism as it arose after the Reformation, and the mere fact of private ownership in the means of production. The former is antagonistic to the entire spirit of Christianity, the latter, in its broadest sense, has always existed and always will continue to exist, despite Socialism and its exaggerated theories. By obliterating this distinction radicalism has gained its hold upon many earnest minds.

"It is ordained by nature," wrote Pope Leo XIII in reference to the forces of capital and labor, "that these two classes should dwell in harmony and agreement, and should, as it were, groove into each other, so as to maintain the balance of the body politic." Such is the teaching of the Church, and such is the ideal of all labor

unionism which has not been perverted by radical influences, as it is likewise the ideal of all truly Christian employers. But the harmony and balance here described were violently disturbed by the system of economics which came with the invention of machinery, the passing of the gilds, and the growing influence of the Reformation upon industrial life.

Be it clearly understood, therefore, that we heartily desire not a lessening but an increase of private ownership. We would extend its benefits, so far as possible, to every one. For this very reason we condemn with firm determination the system here described. Unfortunately it attained to sufficient prevalence before the Great War to throw discredit upon other uses of private capital that are not merely legitimate but highly desirable, and which should be promoted by every just means. It is the system of capitalism, as identical with the post-Reformation abuses, that we are here combating.

The two essential elements of this system are the domination of capital, particularly "money-capital," over the entire economic field, and secondly the subordination of all the interests connected with production to the one consideration of

personal gain. It has therefore been properly defined as "economic rationalism." The gospel rule of charity, the laws of justice and the sanctions of religion were all obliged to yield to the overmastering considerations of profit, rent and interest; in a word, to the one absorbing idea of personal gain. This became the sole motor power of the entire system as the idea of religion was eliminated from its business transactions.

It may perhaps be objected that the inordinate amassing of riches was not unknown in the Middle Ages, which immediately preceded the capitalistic system, and that then as now men might be found who were ready to sacrifice charity, justice and religion itself for the sake of gain. This is perfectly true. But the essential point of distinction is that there was then no system of economics which sought to justify such a course, or which, like the pagan capitalism we have described, did not even deem a justification necessary. Its law was summed up in the materialistic motto: "Business is business," which means that the considerations of humanity and religion may have their proper time and place, but must not be allowed to interfere with the interests of personal gain. A man might grind and crush the poor,

pay starvation wages to labor and exact starvation prices for his products, and yet stand justified by the principles of this system. He might even, if he chose, be crowned as a philanthropist and public benefactor, to satisfy his craving for publicity. Such a code of morality was impossible in the Middle Ages. It could never be tolerated while the Church exercised her power over the people. For men like these she had but one word, and that was the word of St. James in the Holy Scriptures:

> Go to now, ye rich men, weep and howl in your miseries, which shall come upon you.
>
> Your riches are corrupted and your garments are motheaten.
>
> Your gold and silver is cankered, and the rust of them shall be for a testimony against you, and shall eat your flesh like fire. You have stored up to yourselves wrath against the last day.
>
> Behold the hire of the laborers who have reaped your fields, which by fraud hath been kept back by you, crieth: and the cry of them hath entered into the ears of the Lord of sabaoth. (*St. James v*, 1–4.)

Supreme consideration for the common good always remained the ideal of the Middle Ages, however much men might offend in practice. Egoism was the sole ideal of the new economic liberalism that followed upon them. It was an economic system, with no interest save such as might eventually augment personal gain. There was no limit to be set to this. There was no deli-

cacy to be observed in the choice of means for accumulating it.

The oppression of labor, the exploitation of women and children, the destruction of family life, were all normal methods that never caused the lifting of an eyebrow. There was to be absolute freedom of competition and absolute liberty of personal contact between employer and employee, in order that the weaker competitor might be relentlessly crushed to the wall and the laborer might be hopelesly enslaved by the powerful employer. Yet the men who practised these enormities were not considered criminals, but gentlemen.

A rational and perfect system of large-scale production would have been possible under the influence of the Church; not so the system of rationalistic capitalism. The spirit of the Church's laws, directed against usury, would not have prevented the taking of reasonable interest or profit in modern industrial life, and so the upbuilding of a sound and prosperous economic system, but it would have rendered impossible the usurious profits exacted under the reign of commercialism.

Again, the spirit of organization, which the Church communicated to her gild system, would

have helped to bring about the widest diffusion of private ownership, but would not have allowed the paralysis and destruction of labor organization which now took place, consistently with the principles of a ruthless, relentless and unscrupulous struggle for gain.

The Reformation, without any doubt, is mainly accountable for the form of capitalism here outlined. In making this statement we are fully aware of the apparently conflicting theory put forth by Werner Sombart, attributing its origin to the Jews. The following is his own summary of the five factors which he believes contributed to help towards the development of the system of unrestrained capitalism described by him as somewhat restricted by Christian customs and morals in its earlier period, but later entirely unembarrassed by any restraints of Christian morality and Christian traditions:

(1) Natural science, born of the Germanic Romance spirit, which was the mother of modern inventions. (2) Speculation, born of the Jewish spirit. Modern technical progress allied with modern speculation provided the necessary forms for the limitless efforts of capitalist enterprise. The process was still more accelerated by (3) the general Jewish influence which since the seventeenth century has made itself felt in the economic life of Europe. From its very nature this influence could not but strive to extend its economic activities without let or

hindrance, regardless of considerations; and its religion far from restraining it, gave it free rein. The Jews were the catalytic substance in the rise of modern capitalism. (4) As religious feelings became weaker and weaker among the Christian peoples, the old bonds of morality and tradition that had held capitalism in check in its earliest stages gave way, until (5) they were completely removed when through emigration the most capable business types settled in new lands. And so capitalism grew and grew and grew. Today it is like a mighty giant striding through the land, treading down all that stands in its path. ("The Quintessence of Capitalism," *p.* 357.)

Were we to admit this entire analysis the fact would still remain that it was the Reformation which made the acceptance of this system possible after it had been originated by the Jews; for Sombart admits that non-Jews in course of time equaled their instructors. Never could the Church have tolerated its introduction. It does not reflect the spirit of the Old Testament, but is the economic expression of liberalism and rationalism, and therefore of modern paganism pure and simple, whether practised by Jew or Gentile.

The new system of capitalism began by disregarding the sacred rights of the laborer to a reasonable family wage. It continued its work by the warfare of unrestricted competition in which all means were fair that might crush a weaker rival. It completed its task with the concentration of enormous fortunes in the hands of single

individuals and the coalition of mighty interests that swept everything before them. It ended in the establishment of gigantic foundations to carry its domination from the economic sphere into every other field of human activity, seeking to control and monopolize charities, schools and municipal and national governments themselves. For this purpose it became the custom for leading capitalists to purchase or otherwise control their own papers that they might the more surely, though covertly, influence and control public opinion, elections, civic or national movements and enterprises, and so the entire life of the people.

Such is the system in question. Catholic condemnation of it must be no less severe than that of the Socialist could be. To convince ourselves of this fact we need but read the social Encyclicals of Pope Leo XIII. But we differ sharply from the Socialist agitator in that we do not condemn capital itself, but the rationalism which thus misused it. There is no moral evil in the ax wherewith a murder is committed, but in the evil heart which gave the evil counsel. Under Christian direction capital, like other things in themselves indifferent, can be used for the economic and even the moral and spiritual welfare of the world. So

it would be used, and so it has been used even at the present day under the direction of the Church and the guidance of the principles which she lays down. It is the task of every citizen to combat the spirit of rationalistic capitalism and to see that it is supplanted, not by a compulsory and equally dangerous and destructive communism, but by the widest and most equitable distribution of private ownership; not by Socialism, but by Christian Democracy as taught in the great Encyclicals of the Sovereign Pontiffs.

CHAPTER V

ETHICS OF JUST PRICES

THE question of prices, raised in the preceding chapter, is of universal interest. For the poor it is a matter of daily and often of anxious consideration. Just prices and fair wages are two hinges on which revolves the economic welfare of the world. On the proper solution of these two cardinal problems depends far more than the mere material prosperity of a nation, for extortionate prices and unfair wages form together one of the most serious social and moral perils of our age. They are not indeed the fatalistic cause of radicalism and vice, as non-Catholic sociologists often teach, but they are the fruitful occasion of these evils.

The ethics of modern "commercialism" are familiar to us all. "Demand for your product the highest returns you can prudently hope to gain," is the pithy counsel of the worldly-wise.

"Eliminate competition by all expedient means that you may safely increase your demands. There is no Decalogue in trade. Keep within the bounds of the law, wherever it is effective, and do not exasperate the people to the danger point; but multiply your profits in the surest way you can. This is the golden rule."

When the President of the American Sugar Refining Company was asked before the Industrial Commission in 1900 whether he considered it ethically justifiable to make consumers pay dividends on an over-capitalization of $25,000,000, he did not scruple to make the blunt reply: "I think it is fair to get out of the consumer all you can, consistent with the business proposition. . . . I do not care two cents for your ethics. I do not know enough of them to apply them." (*Report of Industrial Commission,* Vol. I, p. 118.)

Far other are the principles of the Church. They permit a margin of profits which will enable commerce to flourish in a healthy state, but at the same time they provide that the life-blood of trade may circulate freely through the veins and arteries of the social body for the common good. They forbid excessive charges, a source of wealth to a few, a cause of hunger and misery

to many. They neither allow the cancer of capitalistic selfishness to fasten itself upon the social body, nor suffer the paralysis of Socialism to afflict society. The principle of just prices is thus expressed by the greatest of theologians, St. Thomas:

> Buying and selling were introduced for the common benefit of both purchaser and vender, since each stands in need of what belongs to the other. The exchange, however, intended for the common benefit of both, ought not to impose a greater hardship upon one than upon the other party to the contract, which should be objectively equal (*secundum aequalitatem rei*). But the worth of the article applied to human use is measured by the price paid for it, and for this purpose money was invented. Wherefore the equality of justice is destroyed if either the price exceeds the complete value of the article, or the article exceeds the price in value. Whence it follows that to sell an article at a higher, or to buy it at a lower price than its worth is in itself unjust and illicit. (*Sum. Theol.*, 2, 2, 9, 77, *a.* 1.)

There is consequently an obligation in conscience of neither selling above the just price, which represents the value of an article at a given time and place, nor forcing a sale beneath it. But how is this just price to be determined? Is it mathematically defined for any period and locality, or is it sufficiently elastic to expand and contract within fixed limits?

From what has already been said it is clear that the Church will not admit as a general principle

that a price is just simply because it has been agreed upon between seller and buyer. So likewise she will not admit that wages are just simply because they were determined by a "free" contract between employer and employed. On this principle the stronger in wealth or the more cunning in wit could always take advantage of his weaker and more innocent brother. Such is the theory of liberalism and modern commercialism, but such is not the doctrine of the Church of Christ.

Yet neither is she extreme in any of her views, and her teachers readily concede that in exceptional instances, where no other standard can be applied, prices must be based upon free agreement between purchaser and seller. Such is the case where there is question of curios, rarities, masterpieces of art or other articles of extraordinary value, or objects whose real worth neither party is able rightly to appraise. Such is the case likewise where articles are sold that have already been worn by use. The price then determined by free agreement is technically known as the "conventional" price. So, too, the price at an auction sale is that which an article can bring according to honest bidding.

Aside from such rare exceptions, however, the just price will be either the "legal" or the "common" price. The former is the price definitely prescribed by the law, where such exists. Thus in the Middle Ages the prices of the principal commodities were determined by the gilds, and strict adherence to these rulings was enforced by the gild officials supported by the civic authorities. Legal prices are always binding in conscience, unless obviously unjust. It was a wise principle that neither the actual buyer nor the actual seller are the best judges of the price at which an article should be sold, that so the common good might always be kept in view. Hence the universal principle of price-fixing on the part of the gilds.

Where legal regulations do not exist, there remains but one way in which the just price can ordinarily be determined, and that is by the common estimation of men setting the value of any article in a given time and place. This is known as the "common" or "natural" price.

The common price, as we can readily understand, is not to be determined, like the legal price, with mathematical precision. Catholic moralists, therefore, acknowledge a highest, a lowest, and an average or mean common price, all of which re-

main within the strict limits of justice, according to the popular estimation of men. They indicate respectively the highest price at which truly honest men would try to sell an article, the lowest at which they might try to purchase it from others, and the average at which it would be ordinarily sold by such bargainers. The margin between the highest and lowest just price is greatest in commodities that minister to mere pleasure and luxury, and least in those that pertain to the necessities of life.

St. Alphonsus has laid down a rule which is accepted as applicable in the sale of ordinary articles. Thus if the mean just price is five, he says, then the highest price might rise to six, and the lowest fall to four; if the mean common price is ten, the extremes will be eight and eleven; if the mean is 100, the extremes may be 95 and 105. Others admit that these prices might reach to 90 and 110 without injustice. The proportion naturally cannot remain the same as when the sum is small.

In determining the just price there is question not of an individual judgment, but of a social judgment formed by the great body of buyers and sellers, who together sufficiently take into account

all the factors that can reasonably enter into the process of production, transportation and sale. The estimate to be followed is the common estimate of the place in which the sale is made even though this should differ widely from that obtaining in other lands.

While the highest as well as the lowest common prices are just, yet an injustice is committed whenever either the highest or lowest just prices are secured in place of a less favorable just price by real fraud. We can readily understand therefore how criminally unjust it is to raise or depress by unrighteous means the common or natural market price, which may be said to coincide with the common or natural price of moral theologians. We thus see how practical is the teaching of the Church upon this as upon all other questions.

Accidentally, however, the price may be raised above the normal value of the article, according to St. Thomas, when the person who sells it suffers some special loss by parting with it. This principle is further developed by Catholic moralists who mention various exceptional instances in which the highest common just price may be exceeded, as when the seller has a particular affection for the article which, for example, might

be an heirloom in his family; or when he sacrifices opportunities of future gains by parting with it at a certain time. Similarly an article may be bought below the lowest common just price when the seller comes of his own accord in order to dispose of it. Even here, however, no undue advantage may be taken when poverty or necessity urge such a step.

St. Thomas, and so likewise St. Alphonsus, would not permit any article to be sold above the highest common just price because of any special value it might have for the purchaser. "If any one," writes the Angelic Doctor, "derives great advantage from what he buys, but he who sells the article suffers no loss by parting with it, then the latter may not sell it at a higher price (than the highest common price). The reason is because the special advantage which the object possesses for the purchaser does not arise from the seller, but solely from the condition of the buyer. But no one may sell to another what is not his own." It is, however, considered quite proper that the purchaser should freely give a donation over and above the just price which he pays.

Father Noldin, with some other modern moralists, is of opinion that there is nevertheless reason

for charging above the highest common just price in such a case, but he would not, of course, permit this charge to become exorbitant. In common with all other theologians he moreover expressly states that such an exception can apply only where the purchaser has in view his own convenience and pleasure. All Catholic moralists agree, with perfect unanimity, that it would be an injustice to charge more than the normally just price because another stands in real need of any object: "The mere want and necessity which force a person to buy are not ratable at a price."

How vastly different this from the doctrine and practice of the unjust commercialism of our day!

CHAPTER VI

MORALITY OF MONOPOLISTIC PRICES

WE are living in an age of corporations, trusts, and monopolies. As a consequence the vexed problem of prices cannot be considered without direct reference to them. In fact this problem is intimately connected with the question of exacting justice from the powerful interests which, if unregulated, can control the wealth, the industry, and the resources of the world.

That gigantic organizations, once they have assumed the proportions of actual or virtual monopolies, are in reality a condition for obtaining the greatest efficiency, and hence for reducing prices in spite of enormous profits, is a contention often made in the past. Competition can no doubt become excessive, but the conviction is growing that corporations can reach a magnitude at which they become economically wasteful. There is no evi-

dence to prove that efficiency increases in proportion to the vastness of a monopolistic enterprise. In the opinion of competent judges the same, or even a higher degree of efficiency, can be attained under a competitive system which combines the advantages of moderately large-scale production with the benefits of competitive prices.

The huge profits accumulated by some of our monopolistic business ventures are therefore likely to be due, not to superior efficiency, but to the power of inflicting extravagant prices upon the people. Declarations of dividends which seem to justify the prices charged for products are not necessarily a safe index of conditions. The cost of production can be raised, actually or fictitiously, to the great personal aggrandizement of the initiated, while the consumer is made to pay the entire false surplus gain, where it is not taken out of the wages of the laborers and the dividends of the petty shareholders.

As an example, rich contracts, resulting in a needless increase in the cost of production, can be given out to firms in which the directors of the monopoly have large vested interests, unless government restrictions prevent this form of robbery. Or the familiar device of stock-watering may be

resorted to, which affects the consumers' prices as well as the dividends of the small stock owners. Profits can in this way be drawn by the inner circle upon a presumed capitalization of $1,000,000 where only $500,000 were actually invested. The published figures, based upon this fictitious capital, may delude purchasers into paying an entirely unwarranted price, while minor shareholders receive precisely one-half of the dividends that would otherwise fall to them.

The public, we are told, was not able, in times past, to trace the connection between the bankruptcy of a once prosperous railroad and the bloated fortune of a syndicate that "financed" it. Thus the parties "financing" a road might authorize the purchase of bankrupt properties, as such deals are said to have been transacted, and at the same time conduct a short-term loan in which millions of dollars would be invested by the public in short-term notes. No one, but those within the inner circle, could know of the "discounts, banking commissions and interests" that absorbed all the surplus gains, while the road appeared to prosper. The bankrupt properties themselves, in the meantime, would create increasing deficits, and the short-term loan could not be

met any more. Before long the grim revelation of a funded debt of hundreds of millions of dollars would startle the public. The total obligations had risen into incredible sums. Bankruptcy would follow and the short-term loans remain forever unpaid. The men who skilfully "financed" the soundly prosperous railroad to its ruin would probably vanish from the scene before the great catastrophe. An unsophisticated public might readily believe that the railroad rates had been inadequate.

Although the day of the small tradesman is past, yet the laws of justice have not changed, and can be applied as perfectly in our age of giant corporations as in the period of the medieval gilds. It is the perfection of the Church that her teaching is adaptable, without any alteration of principle, to every economic, social and civic development that time may bring, for she was founded by Christ for all time. Her laws do not interfere with any phase of rightful industrial development, but they defend under all circumstances the just claims of the poor, the helpless or the weak.

A monopoly may, in the first place, be legal and public in its nature, established and conducted by

the Government itself as in the case of the postal system. Kept within proper limits such monopolies are entirely licit and may be made a source of public revenue. The reason is because they are intended solely for the common good. Even should prices be raised above normal competitive rates in order to secure larger incomes, such an increase would be merely another form of indirect taxation, and is to be judged upon that basis. But public authority may also, *for the common good,* give certain monopolistic rights and privileges to private individuals, as in the case of patents which are granted to encourage inventions, on the principle that such encouragement will benefit the community. Although the holders of legal monopolies can commit injustice by excessive prices, moralists admit that it is difficult to set definite limits, particularly where new inventions are placed upon the market. Such a monopoly is not granted in commodities necessary for life.

The great suffering of the people, due to high prices, is not caused by these forms of monopoly. We are mainly concerned therefore with purely private monopolies, and with all large enterprises or combinations which become powerful enough

to control market prices or influence them sufficiently to exceed the competitive rate which else would have existed. Under this head come likewise the agreements among merchants not to sell an article below a set price, and particularly the practice of buying up commodities of any kind with the purpose of creating a " corner."

Before determining the rules which must govern the regulation of just prices under these various conditions it is well to premise that justice is not violated where surplus gains are due to special efficiency without any undue raising of prices. Neither is it wrong for merchants to combine in order that they may more readily procure their own benefits. Independent firms may furthermore agree, one with the other, upon a price, provided it violates neither justice nor charity. This is particularly the case when its purpose is to enable them to pay fitting wages to their employees. Experience, however, has taught that " rings " are likely to end in seeking to extort excessive prices from the helpless public.

We thus come to the general laws which are laid down for private monopolies and for all other private enterprises that gain control of the market. These rules are not spun out of the brain of any

individual writer, but are the common teaching of Catholic moralists at the present day. They can be briefly stated as follows:

(1) The prices established by private monopolies, "rings," and similar business ventures are just, if they do not exceed the highest common price which an article would bring if these undertakings did not exist and the market was left open to fair competition. It is supposed, however, that just wages are paid to labor under both systems.

(2) Prices which in themselves are not exorbitant, because they do not exceed the highest common price which would have obtained had these monopolistic conditions not been created, may nevertheless be seriously sinful when they impose a notable hardship upon the poor. They then constitute an offense, not indeed against justice, but against the great and vital law of Christian charity. This takes place when the poor, in consequence of such conditions, are constrained to buy the necessaries of life at the highest common just price, whereas otherwise they might have bought them at the mean or lowest competitive price, and are thus made to suffer seriously.

(3) The same strict laws are not to be laid down where an article merely ministers to pleasure.

The reason is because purchasers can simply refuse to buy it. In such cases even the highest common price may more readily be exceeded.

The technical term frequently used here, "the highest common price," was defined in our previous chapter. It is in practice the highest market price for any commodity, determined by free competition for any given time and place, if the market is not tampered with. Theoretically it represents the just cost of production and sale, including the honest profit of employer and merchant, no less than the fair wages paid to labor. Finally it also includes the surplus gain which may come to any individual or corporation because of superior efficiency.

There is another phase of monopolistic prices. This results from the effort to undersell an opponent. It was one of the most common methods employed by the trusts. If a firm can permanently dispose of an article at a lower price than any of its competitors, because of greater efficiency, there is at least no injustice committed. But such is not the purpose of modern underselling. The prices of a commodity are ruinously depressed in a certain locality or for a certain period, until the

competitor has been crushed to the earth. They are then likely to be systematically raised above the former competitive rate. By this method injustice has been done to the man ruined in business, since trade has been taken from him under false pretenses, while an added injustice is inflicted on the consumer who has been led into a snare and is now forced to pay extortionate prices.

Crimes against justice and charity have thus too frequently been committed that cry to Heaven. Prices have been arbitrarily fixed and supply regulated according to whim. The weaker were driven to the wall and the poor made to starve in order that a few might hoard up unjust profits. The welfare of the consumer was entirely disregarded. True principles were lost to sight because there was no one to declare them with precision and authority, except the Church of Christ whose voice was raised but not heeded.

At the conclusion of these chapters, dealing with the question of prices and the abuses of unrestrained capitalism, it will be useful to quote a passage from the tentative program of the British Labor Party drawn up during the course of the Great War. The words, cited here at

length, are deserving of careful consideration on our part:

> The people will be extremely foolish if they ever allow their indispensable industries (that is to say, those which affect the supply of the prime necessaries of life) to slip back into the unfettered control of private capitalists, who are, actually at the instance of the Government, now rapidly combining trade by trade into monopolist trusts which may presently become as ruthless in their extortion as the worst American examples. . . .
>
> The Labor Party would think twice before it sanctioned any abandonment of the present profitable (system of) centralization of the purchase of raw material; of the present carefully organized "rationing," by joint committees of the trades concerned, of the several establishments with the materials which they require; of the present elaborate system of "costing" and public audit of manufacturers' accounts; . . . of the present salutary publicity of manufacturing processes and expenses thereby ensured; and, on the information thus obtained, of the present rigid fixing, for standardized products, of maximum prices at the factory, at the warehouse of the wholesale trader, and at the retail shop. . . .
>
> It is so, the Labor Party holds, just as much the function of Government . . . to safeguard the interests of the community as a whole, and those of all grades and sections of private consumers, in the matter of prices, as it is, by the Factory and Trade Boards Acts to protect the rights of the wage-earning producers in the matter of wages, hours of labor, and sanitation.

The last principle, defining the function of Government in the matter of prices, is absolutely and incontrovertibly true. The methods suggested in the preceding section are also deserving of hearty approval wherever it is found that they will promote the general welfare. The entire passage, as

reprinted above, was quoted in the English Jesuit publication, the *Month,* with the following words of comment:

> This is, of course, neither more nor less than re-affirmation, in modern terminology, of those ethical principles concerning the public control of commercial finance, or in other words, concerning the fixing of a fair price for necessary commodities, which were generally recognized throughout the Middle Ages, but which it had long been the fashion to deride as unenlightened and deservedly obsolete. (*March,* 1918.)

The writer, the Rev. Herbert Lucas, S.J., then adds that as a matter of abstract theory the State or municipality might with perfect justice fix the price of all commodities if this were both expedient and feasible. He believes however that if once the price of the prime necessaries of life were wisely regulated, it would be both possible and sufficient to limit, by means of taxation, the profits arising from the production and sale of "what may be called secondary articles and still more of articles of luxury." Here, as elsewhere, we are to be guided by the Catholic principle that the State should interfere only in so far as the common good requires its just and prudent intervention. Prices are not to be fixed by it where they can of themselves find their rightful level.

Alluding to the same passage, commented upon

with such approval by the English Jesuit publication, the *Irish Theological Quarterly*, edited by members of the Maynooth faculty of theology, thus expresses its agreement:

> Quite right, we should say, unless one means to abolish the Seventh Commandment and hold a brief for the profiteers. "It is just as much the function of Government to safeguard the interests of the community as a whole . . . in the matter of prices, as it is by the Factory and Trade Boards Acts to protect the rights of the wage-earning producers in the matter of wages, hours of labor, and sanitation." Have we come back to Catholic England? Or are we reading a Middle-Age theologian who wrote before the individualism of Luther or the *laissez-faire* of Manchester dawned upon the world? (*April*, 1918.)

These strong approvals of the passage previously quoted from the tentative document drawn up as the first draught of its program by the British Labor Party, did not of course imply an acceptance of the entire document itself, without discrimination. We may hope, however, that once the thin veil of Socialist fallacies has been torn asunder labor in general cannot fail to see the correctness of our entire position. A wider distribution of private ownership and not its total abolition is the goal to be ever kept in view.

CHAPTER VII

PROBLEM OF THE MIDDLEMAN

WRITING on the food problem in the New York *American,* Herbert Kaufman found that if the regulation of mercantile transactions, the fixing of prices and profits, and the limiting of sales and purchases in the Middle Ages acted as a restraint upon competition, yet the cost of living was successfully kept proportionate to the community income. "Manipulators had no chance to corner crops and create shortage in needables, as any citizen of this free and enlightened Republic may do at will."

In these few words the author has touched upon one of the most notable features of the gilds: the account taken by them of the rights of the consumer. Not only was adequate provision made for strict food-inspection, fair prices, honest weights and measures, but even the possibility of a "corner" was absolutely removed. Thus to preserve intact the principle of brotherhood and to

prevent excessive private purchases, merchant-gild statutes — to which we shall here confine ourselves — obliged the buyer to share his larger purchases, at the original cost, with any gildsman who desired it. This desire, however, was to be manifested before the commodity had actually been delivered. The following two statutes of the Southampton gild may be taken as typical of an entire class of gild legislation:

(24) Any one of the merchant gild shall share in all merchandise which another gildsman, or any other person shall buy, if he comes and demands part, and is on the spot where the merchandise is bought, so that he satisfy the seller and give security for his own part.

(61) If any one of the town buys a shipload of wine, or corn in the gross, and a burgess of the town desires to have a tun of wine, or two or three quarters of corn for his own use, he shall have it at the price for which it was bought any time, while the purchased goods remain in the seller's hands.

The Scotch merchant gild of Berwick-upon-Tweed acquaints us with the definite limits set by it to such sharing, and with the amount of profit to be paid the purchaser if the sharing still remained obligatory, after the merchandise had been delivered.

From this it must not be imagined that large quantities could readily be bought by any gildsman before others had been given an opportu-

nity to make a purchase upon the same terms. Shiploads or cartloads of articles brought into the city could not be sold except at a given place and at a definite time, if there was reason for such measures. The violation of these provisions was known as the crime of " forestalling " the market, and was likely to end in a fine, besides the certain confiscation of the merchandise thus illegally procured.

Strict limits were set to the purchase of raw material for manufacturing purposes, so that no tradesman might bring about even the semblance of a monopoly; thus all were given a chance to make an honest livelihood. Very often even the lending of money was carefully restricted to preserve, as far as possible, a full equality of opportunities for all gildsmen. Such regulations, it must be remembered, were not imposed by a paternalistic government, as Socialism would impose itself upon a nation, but were willingly accepted by the gildsmen as a body and through centuries carried into execution by their own officials.

It need hardly be said that the illustrations here drawn from the Middle Ages are not meant to be applied literally to our own times. Attention is merely called to the spirit that prompted them,

the principles they exemplify, and the end they achieved. Nor would we wish to stand sponsor for every gild regulation.

One of the greatest economic problems of our day, and of any day, is the elimination of the middleman wherever he is not reasonably needed. It is therefore exceedingly interesting to compare our own system, while unaffected by intelligent cooperation, with that put into effect by the merchant gilds. The wasteful methods to which we submitted were thus described in the *American Review of Reviews:*

> Agents or drummers go to the country to solicit the shipments for a particular dealer. He has heavy expense and usually a good salary. This comes out of the food. The produce is largely shipped in small lots at double the freight rates of carload shipments. When it reaches the city the commission dealer often buys it for his own account, or for the account of some company in which he is interested. As a trustee of the producer he deals with himself. It then goes through the hands of several wholesalers and jobbers, frequently as many as seven in all, before it reaches the retailer. With it all is a duplication of cartage charges, first from the dock to the commission dealer, and then from one to another of the wholesalers and jobbers who speculate in it. When the housewife buys her supply she pays her portion of the accumulated cost of wastes, commissions, extravagance and profits.

There are still other and very serious items of expense which could be mentioned. They all tend

to discourage the producer and impoverish the consumer, since upon these two falls the burden even of railroad trusts and of the watering of stocks. Contrast with this senseless procedure the following two statutes of the Southampton merchant gild which again are typical of many others that might be mentioned:

(64) It is provided by common consent of the gild that no one shall sell any fresh fish, either in the market or street, but the person who has caught it in the water, or shall have brought it without Calshot. And those who bring fish in or about shall bring it all to the market at once; and if they conceal any part of the fish in their boat, they shall lose it all; and if the fisherman deliver any part of the fish for sale by another than himself, he shall lose all; and if any huxter woman buy fish to sell it again, she shall lose all.

(68) Every person who brings bread in a cart to sell, shall sell that bread by his own hand and by no other; and if any such bread be put in the hand of others, it shall be lost.

Similarly the statutes of the Andover gild, drawn up in the year 1279, provided that no carpenter may buy timber in the town, with the purpose of selling it at a profit, under pain of losing his entire merchandise.

The aid of the middleman, *regratarius*, who bought to sell at a profit, was not excluded, but was restricted to the utmost; a principle which can be applied as well in our day. Thus by the statutes of the last-mentioned gild no *regratarius*

was permitted to buy chickens, eggs, capons, geese, meat, and fish until the goodmen of the town and country had made their purchases at first hand. If he violated the law, he was to fall into the inexorable custody of the bailiffs before the clock had struck six in the morning: *Capietur in manus balliuorum ante primam.* Nor could this law be circumvented, for it was furthermore enacted that no purchase could be made through another person. A special regulation is likewise preserved which prevents the making of large purchases in the vicinity of the town, before they reach the market. Thus all might enjoy the advantages of wholesale prices on the daily necessities of life.

In determining such prices care was taken that those interested in any particular industry might not exercise an undue influence. Thus the Worcester merchant gild stresses the necessity of preventing the " great enquest " which decided upon the price of ale, from being made up " to the half partye or more " of brewers. Similarly two " ale conners of sadd and discrete persones " were to be appointed on election day to test the ale's quality. Even its quantity, as we find elsewhere, was restricted to prevent over-production. This law obtained in other industries as well.

In the first merchant-gild statute quoted in the present article an omission was made which shall now be supplied. It reads: "But no man who is not of the gild can or ought to claim share with a gildsman against his will." Similar discrimination was elsewhere frequently exercised against strangers and other non-gildsmen. The charges made upon this score overlook the fact that in the first place the merchant gilds were not, in their origin, exclusive organizations, though they were not immune against human failings, which manifested themselves particularly in the days of their decline. In the second place it is to be remembered that upon them fell the burden of taxation, royal levies, public improvements, works of charity and benevolence, and in fine the entire burden of the little commonwealth. It was from the merchant gild and not from the town, that the king exacted the money requisitioned for governmental purposes. Non-gildsmen of the town shared in the general advantages procured them by the gild, but were free from all its responsibilities.

Some of the merchant gild statutes will doubtless appear to us excessive in their restrictions. So, too, they were at times. This became true particularly in the day of their decline. But the

principle of providing for the common welfare was never lost to sight as long as the gilds remained instinct with the true Catholic spirit. Here is the prime lesson they have to teach us. For this reason they provided that the interference of a middleman, and therefore the raising of prices for the citizens, should be prevented where necessity did not strictly demand it.

Were our own more prosperous citizens, both capitalists and skilled laborers, to unite for the common good; were they to seek first and foremost to secure for all alike fair prices and the elimination of exorbitant profits or of wages inconsistent with the general welfare; were they to bring about as general a distribution of ownership as possible; were they to act in political, economic and social unity; were they, finally, voluntarily to take upon themselves the burden of our civic improvements and under the direction of the Church supplement her Religious Orders in carrying on the temporal works of mercy, like one great Vincentian brotherhood, then the ideal of the merchant gild at its highest perfection would be reestablished in our modern cities. But this would be possible only on condition that the Catholic Church herself should once more win for Christ

the love and homage of all hearts in a lasting spiritual union of faith and good works.

We have given the above illustration, contained in the preceding paragraph, merely by way of parallel. But we must insist upon the spirit of co-operation between all classes which it implies, and the need of religion as the central motive making this possible. There is no other means effectively to remind the strong of their duties to the weak, the rich of their obligations to the poor, the men who have been given power, talent, and opportunity of their great responsibilities towards their neighbor and of the solemn account they shall have to render unto God of all their stewardship.

One of the most important and successful movements towards a partial elimination of the middleman is that of the cooperative store, described in the chapters on cooperation in the present volume. The gains of the small dealer, however, are not large, and in so far, at least, the profit of the co-operatives may result mainly through savings in distribution, where this is skilfully conducted. Of the movement in America E. Harris says:

> American people have demonstrated through building and loan undertaking, cooperative shipping, cooperative creameries, cooperative insurance and in other ways, that they can work

together for common ends as they would be required to do to make cooperative buying successful. It is only necessary that people get the same intelligent grasp of the cooperative buying idea. ("Cooperation.")

Before the outbreak of the world war the cooperative idea had already made wonderful progress in Europe, while its growth in America had been comparatively slow. But it was none the less constant during the last years before the great crisis. It is the consumer's own solution of the problem of the middleman, and reflects at least something of that spirit of fraternal cooperation which was the soul of all social and economic life in the Middle Ages.

CHAPTER VIII

THE STATE AND LABOR

BEFORE the advent of the Church the duty of the State towards labor was almost entirely ignored. Even among the Jews the conditions of labor were far from ideal, although the hardships of the bought or hired servant were greatly reduced by the divinely-given legislation.

Religion has ever been the main defense of the workingman. Paganism in its most complete material development despised labor under every form. The history of labor in the ancient pagan world is mainly the history of slavery, and slaves were the merest chattel in the eyes of the pagan State. According to the wording of the Roman law, they were to be regarded: "*Pro nullis, pro mortuis, pro quadrupedibus*"; "As nothing, as dead things, as four-footed beasts." That, in brief, was their legal status. They could not

even contract a marriage which the law would recognize.

The same conditions returned when Christianity was swept away by the barbarian hordes before the new dawn of the Ages of Faith. The slave was the master's property. Even with returning civilization his testimony could not be received in court except under torture. Such were the rights of labor in the eyes of the State, except where Christianity had been able to bring relief.

After the lapse of centuries, the Church succeeded in impressing upon the public administration a new concept of the rights and dignity of the laborer, which the State was bound to safeguard under the Christian dispensation. By her doctrine of brotherly love and the example of the God-man, she brought about the abolition of slavery and gradually ameliorated the lot of the serf, until the day of his complete emancipation dawned. But long before that period she had been active in inspiring and directing social legislation in favor of the workingman.

The laborer, as viewed by the Church, is an integral part of the living organism of society. He has therefore social rights that must be protected and defended by the State. Numerically,

he represents by far the greatest element within the commonwealth. Industrially, the prosperity of the entire community is inseparably connected with his daily toil. "It may be truly said that it is only by the labor of the workingman that States grow rich," wrote Pope Leo XIII. Hence the public administration is under an obligation, not merely of charity, but of strict justice, to provide for the welfare of its laboring classes, and it is the duty of every government to see that "They who contribute so largely to the advantage of the community may share in the benefits they create." ("The Condition of Labor.")

But the obligation of the State is based upon even higher considerations. Transcending the purely material order, this duty of safeguarding all the just interests of the working population is founded upon the end of society itself, which, in the words of the Holy Father, is "to make men better." Economic conditions, as we need hardly repeat here, can exercise the most vital and far-reaching influence upon the moral and religious life of the people.

"In all well-constituted States," says the great Pope of the workingmen, "it is a matter of no slight importance to provide those bodily and ex-

ternal commodities the use of which is necessary to virtuous action." It is possible, indeed, for men to save their souls under the most distressing economic conditions, but in general such circumstances will constitute a serious obstacle to morality and religion. Hence their removal is practically "necessary" if virtue is to thrive in any community. So the duty of the State to protect the rights of the working classes and to provide for their material well-being is lifted into the higher sphere of true, noble and virtuous living.

From this, as an important corollary, follow the right and the duty of the Church to insist that the State shall faithfully discharge its duties towards the laboring man and the poor. Catholics may not be indifferent to the social question, nor may priests and bishops ignore it. The Supreme Pontiffs have here set the noble example which all are to imitate according to their ability. From whatever aspect or angle we may view the social question, it will always remain a religious as well as an economic, political, and legislative problem. Such it was in the days of Isaias, when he exhorted the Jews: "Learn to do well: seek judgment, relieve the oppressed, judge for the fatherless, defend the widow." Such it is today.

It is through the State, as a last resort, that we seek judgment, bring relief to the oppressed and secure justice for the fatherless and the widow, as witness the Workmen's Compensation Act and the Mothers' Pension Law. Hence the duty of governments is thus splendidly defined by Pope Leo XIII:

> Justice, therefore, demands that the interests of the poorer population be carefully watched over by the Administration, so that they who contribute so largely to the advantage of the community may themselves share in the benefits they create: that being housed, clothed, and enable to support life, they may find their existence less hard and more endurable. It follows that whatever shall appear to be conducive to the well-being of those who work, should receive favorable consideration. Let it not be feared that solicitude of this kind will injure any interest; on the contrary it will be to the advantage of all; for it cannot but be good for the commonwealth to secure from misery those on whom it so largely depends.

No defense can be offered for the post-Reformation principle of *laissez faire,* or non-interference on the part of the State. Under this policy collective bargaining was forbidden to the laborer and only the fulfilment of contracts was safeguarded by the public authorities. It was the theory under which the demoralizing form of uncontrolled capitalism came into existence and grew into a menace to civilization.

Yet it was universally upheld by the economic

schools of the day and accepted as a practical working principle of the new Protestant statecraft. The inevitable reaction against it gave birth to anarchism, Socialism and all the various forms of modern radicalism. The principle of individual bargaining, based upon it, was the economic source of an endless train of evils, as the principle of the individual interpretation of the Bible had been their religious origin.

The *laissez-faire* policy could obviously have no other effect than the destruction of the economically weaker party and his complete oppression, without any hope of redress or assistance from the State. To imagine that the rights of capital and of labor would balance themselves, without any superior control, was no less palpable a deception than to fancy that man's nature could develop most perfectly by granting full license to all its senses and faculties. Yet this logical transference of the principle of *laissez faire,* from the economic to the moral order, has actually been made in our modern plays and novels, and in the philosophical and educational literature of the day.

When the need of State interference in economic life was finally admitted, the fatal superstition still lingered on that the first object to be safeguarded

at all hazards by the State was the industrial prosperity of the country, meaning the interests of large fortunes, rather than the economic welfare of the masses. Catholic State action in favor of the people is even today confused with Socialism, to the great gain of the latter, whose borrowed plumage hides its real nature. Socialism is not identical with a reasonable State protection, but with State tyranny and State absolutism. Whatever popularity Socialism may possess is entirely attributable to its *camouflage* Catholicism.

. The principle of State interference can thus be briefly summarized: The State is called upon to act wherever the general welfare of the community or the just interest of any particular class is imperiled. State interference is a last resort, to be invoked when private means are inadequate. Under every form of society such action will at times be necessary to secure the rights of the weaker party.

But the principle of turning over all power and initiative to the State is a fatal delusion upon which Socialism is founded. It finds no authorization in Catholic teaching. We shall briefly indicate here four aspects under which the welfare of the laborer may be guarded by intelligent legislation.

It should be noted that we are concerned here merely with the rights and not with the obligations of labor, which must similarly be enforced by the State where the public welfare requires it. Many of the points, merely suggested in the following outline, shall be fully developed in other chapters of this book.

Religiously it is the first duty of the State to secure for the laborer his Sunday rest. This implies a cessation of work consecrated by religion. The Sunday rest was instituted that it might preserve the human dignity of man made to the image and likeness of God, enable him for a time to forget the business of his daily life and freely lift up his thoughts in worship to his Almighty Creator and to afford him the necessary leisure for the outward practices of religion.

> No man may outrage with impunity that human dignity which God Himself treats with reverence, nor stand in the way of that higher life which is the preparation for the eternal life of Heaven. Nay, more; a man has here no power over himself. To consent to any treatment which is calculated to defeat the end and purpose of his being is beyond his right; he cannot give up his soul to servitude; for it is not man's own rights which are here in question, but the rights of God, most sacred and inviolable. ("The Condition of Labor.")

Morally it is the duty of the State to alter conditions of labor which threaten to prove detri-

mental to virtue. Thus the employment of children by night and as messengers sent into questionable surroundings, the temptations to which women are frequently exposed under certain conditions, and the various circumstances that lead to vice among the laborers in factories and elsewhere, are instances which call for prompt and strict legislation wherever due provisions are not made by the employers.

Physically there arise the problems of sanitation, of the prevention of industrial accidents and of all the many regulations that can secure for the worker such surroundings and conditions of labor as are consonant with his human dignity.

"Women," as Pope Leo XIII warns us, "are not suited for certain occupations; for a woman is by nature fitted for home work, and it is that which is best adapted at once to preserve her modesty, and to promote the good bringing up of children and the well-being of the family." Conditions which drive the mother from the home into the factory, likewise expose the children to every form of vice and irrelegion. It is the duty of the State, furthermore, to prevent the employment of women in occupations detrimental either to their physical or their moral well-being or the well-being of the

children to be born of them. The good of society requires this.

In the same manner children may not be placed in workshops and factories "until their bodies and minds are sufficiently mature." For just as rough weather destroys the buds of spring, so too early an experience of life's hard work blights the young promise of a child's powers and makes any real education impossible.

So, too, the hours of labor must not be excessive: "As a general principle, it may be laid down, that a workman ought to have leisure and rest in proportion to the wear and tear of his strength; for the waste of strength must be repaired by the cessation of work." ("The Condition of Labor.") We are furthermore told that it is the duty of the State to remove the causes from which labor troubles are bred.

Socially the State must remember that normally a family depends upon the wages of the workingman. Hence it is not only necessary that his wages be adequate to support a home in Christian decency, but also that provision be made for the possibilities of unemployment, sickness, accidents and other circumstances, including death itself, which may remove the bread-winner from his daily

task while the family at home is deprived of his support. Hence the many insurance provisions, the workmen's compensation laws, the old-age and the mothers' pensions, and similar enactments.

Here again the general principle must be laid down that self-help rather than State-help should be aimed at in such legislation. Where it can equitably be done it is better that insurance laws should not be based upon State support. This, however, supposes an adequate wage, a question which calls for special discussion. It likewise supposes a wider economic education of both capital and labor. In the meantime there can be no objection to any measure of State help that existing circumstances may reasonably require in the matter of pension and insurance.

As a summary of all that has here been said, we quote the words of Pope Leo XIII:

> If by a strike, or other combination of workmen, there should be imminent danger of disturbance of the public peace; or if circumstances were such that among the laboring population the ties of family life were relaxed; if religion were found to suffer through the workmen not having time and opportunity to practice it; if in workshops and factories there were danger to morals through the mixing of the sexes or from any occasion of evil; or if the employers laid burdens upon the workmen which were unjust, or degraded them with conditions that were repugnant to their dignity as human beings; finally if health

were endangered by excessive labor, or by work unsuited to sex or age — in these cases there can be no question that, within certain limits, it would be right to call in the help and authority of the law. ("The Condition of Labor.")

The limits referred to here are defined by the extent of the evil itself or of the danger that is to be removed. So far, and no further, should the State intervene in the conditions of labor.

CHAPTER IX

THE STATE AND WAGES

THE masses of the people are aroused. They demand an adequate share in the prosperity which they help to create. Radicalism is in the air, but the voice of impartial justice is likewise heard and will not be silenced again. The choice lies between anarchy and the social teachings first proclaimed by the Church. Happily sane economic opinion daily converges more and more towards Catholic tradition and Catholic doctrine. In the van of all progress, at the very height of the social movement of our day, stands the Church.

The appeal of the laborer for justice comes close to her heart. It is above all a demand for an equitable wage. Any just and reasonable method that will enable us to secure for him this inalienable right must meet with her hearty approval. But there is one way only by which we can attain this end, and that is by legal measures.

It is as vain to hope for the conversion of a

dominant class of selfish capitalists as to depend upon the method of social revolutionists who would overturn the pillars of authority and plunge the world into hopeless anarchy. Human nature, even at its best, is never to be trusted too far, where gain and profits are in question. The most fair-minded employers best realize, moreover, how difficult it is to carry out their lofty Christian ideals while forced into competition with unconscionable rivals, uncontrolled by any curb of law.

What of the labor unions? Cannot the fight for justice be confidently committed to them? They have accomplished much. But there is question mainly of fair wage for the unskilled workers. It is the great mass of the labor population which stands in greatest need of our assistance. These have not been successfully reached by trade unions. Organization has made little progress among them, except where they have been momently swept into some revolutionary movement, a peril which is always imminent. It was this class that the I. W. W. sought to mobilize. Skilled labor, on the other hand, can sooner or later exact justice for itself where it has not already attained this end. There is danger rather that such labor may in turn become tyrannical and abuse its power to

the detriment both of the consumer and the unskilled operator. Of this too we have had examples in the past.

Labor unions, based upon Christian principles, are perhaps the greatest economic necessity of the day. But even when animated by the most altruistic motives they will find it difficult to come to the assistance of the vast mass of the labor population, except by promoting intelligent legislation. This brings us back to the very point from which we started, the need of State legislation.

The case of unskilled labor has been summed up in a paradox, or what may appear to be a vicious circle. Yet the statement expresses the exact truth of the matter: the masses are unorganized because of their low wages, and their wages are low because they remain unorganized. Organization, in other words, is not likely to be successful while unreasonably low wages destroy initiative, energy, and intelligence on the part of the worker. Yet without organization wages can never be raised by the workingmen themselves. Extraordinary conditions may for the time create a scarcity of labor, but the period of unemployment, which is certain to follow, will immediately depress wages

to their former level. There can consequently be no hope for a decent living wage, to be enjoyed by all the workers at all times, except through legislation.

Wage legislation is a tradition in the Church. Minute regulations for such legislation were drawn up by the Catholic gildsmen. State sanction was given to these regulations, and gild officials were authorized to inflict summary punishment upon all offenders. The difference of remuneration between employer and employee was often very slight, and the benefit of the consumer was never lost to view in determining the wage-scale. It was not a question of securing the highest wages the union could enforce, but of deciding upon the wages that would be fairest for all. No work, no pay, was the rule set down for employer as well as for employee. No employer could draw profits without actually engaging in the occupations of his single trade. These rules, we should note, were drawn up by the Christian employers themselves.

The special wage legislation required for our own day is clear. The principle of a living wage has been laid down by the Holy See. It can be made practical only when enforced by law. The conclusion is obvious. Rhetorical effusions upon

the doctrines of the Papal encyclicals, from the pulpit or the platform, will never solve the social problem. The masses will rightly ignore them if no practical application is made. That application depends upon us and must be adapted to the changing conditions of place and time.

In the question of wages the nature of this application seems now beyond dispute. Past experience enables us to proceed without hesitation. There is apparently but one course open, as a logical beginning, and that is to unite solidly upon a minimum wage legislation. It was a Catholic priest — be it said to the glory of the Church — the Rev. John A. Ryan, D.D., who first effectively championed the minimum wage legislation in the United States, and it is another Catholic priest, the Rev. Edwin V. O'Hara, whose name, as Dr. Ryan himself remarks, "is written in the annals of the United States Supreme Court as the official upholder of the first minimum wage law."

The principle itself is plain. Every toiler has the right to a living wage, a right which takes precedence over every other consideration, excepting only the right which the employer himself has to a remuneration which will enable him and his family to live in reasonable and moderate comfort

according to their position in life. It is important moreover for both employer and employee that the continuance and welfare of the industry itself be wisely consulted. Beyond this there can be no question of any profits until the living wage has been paid to the employees.

Yet, according to statistics drawn up before the war by social workers and economists, the major part of the adult male laborers of the United States were not receiving a living wage. Since only an impossibility can excuse the employer from paying a living wage, and since millions of dollars were at the same time garnered in profits, it follows that there existed a condition of social injustice which urgently clamored for State interference and correction.

What then is a living wage? In general it is defined by Pope Leo XIII as a remuneration "sufficient to support the wage-earner in reasonable and frugal comfort." For the adult male worker, according to the spirit of the Encyclical, it is a wage "sufficient to enable him to maintain himself, his wife and his children in reasonable comfort." For the adult woman worker it is a wage whereby she can reasonably and decently support herself away from home. There is ques-

tion now, however, of that wage only which is the very least that in the sight of God and man the employer should give. The worker, moreover, should be able, when all expenses have been paid for family or personal maintenance, "to put by some little savings and thus secure a small income." Both he and his family must be provided against the day of dearth, of sickness or unemployment.

The question has been discussed by Catholic moralists whether the obligation of the employer to pay a wage that will not merely support the adult male worker himself, but likewise his wife and children in a reasonable manner, is an obligation of justice or of charity. In either case the obligation would be equally imperative, whatever distinctions may be drawn. An obligation in charity is no less binding than an obligation in justice. According to the letter Pope Leo refers only to the obligation of supporting the laborer himself, but leading Catholic social authorities hold that he implies likewise the support of wife and children.

The plea made by certain Chicago packers, in a local court, that the cost of maintaining a family should not be considered in determining wages ignored the dignity of the worker as a human

being. A "fair" wage, according to the standard proposed by them and generally recognized by the capitalistic system of the past, must be ascertained by the market rate of labor in the community. If therefore wages were below the living line in other industries, the packers claimed the right to employ their workers under the same conditions. They fail to understand that a wrong cannot be justified because it is likewise practised by others. Such principles can evidently be combated in no other way than by Christian legislation. It is the absolute duty of the State to protect its workers under such conditions. The principles enunciated by these men are the strongest argument for the need of setting a legal minimum wage. It would be necessary, if for no other reason than to protect Christian-minded employers in their competition with criminal profiteers.

"But what," the reader may naturally ask, "is the minimum of reasonable comfort which we have a right to demand for a family, that it may live in accordance with its Christian dignity?" In answer a single detail may suffice. The very least requirement for a suitable home may be said to be about four wholesome rooms together with the modern arrangements for cleanliness and

decency. Food, clothing, furniture, and opportunities for recreation should all at least measure up to the same standard of self-respect. This surely is a moderate demand to make for any family that would lead a true Christian home life.

Yet to bring about even this much it may be necessary for the State, besides setting a minimum wage, to regulate also the housing problem. It is not just that the entire burden of expense should fall upon the employer and consumer, while the landlord raises his rents wherever the need is greatest, because workmen are obliged to accept his terms. This is a question too extensive to consider here. In radically destroying the abuses arising from the unearned increment it may be necessary to offer compensation to present owners.

The objections to the minimum wage need not be discussed at present. Experience has sufficiently disproved them. Women, as a rule, have not been thrown out of employment, wages were not depressed to the level of the legal minimum and prices did not soar appreciably as a result of such legislation. The accidental hardships that fell upon some are far outweighed by the good results. As for workers who are not considered capable of earning the full minimum wage, special

permits have been devised, authorizing them to work for less. Similarly, where the payment of a proper minimum wage is impossible for a time in any industry, wise allowance can readily be made for the sake of both employers and employed.

Thus in the minimum wage law for women employed in professional and general offices, which became effective in San Francisco, July 13, 1918, it was provided that permission for the payment of a wage lower than the fixed minimum could be obtained in cases of physical disability. Application for this purpose was to be made to the State Industrial Welfare Commission, which was then to fix the wage of the individual in question. Since the legal minimum was to be paid after a year's employment, and a somewhat lower minimum was set respectively for each of the two preceding half-year periods, it was moreover provided that the number of beginners permissible was not to be less than twenty-five per cent of the total number of employees.

The first step taken is the establishment of minimum wage boards, such as have now become sufficiently common. Under State control these boards decide upon the just minimum of remuneration according to time and place. Such legislation,

however, will prove to be only the beginning of economic readjustments. Its ultimate object must not be to keep the workers in permanent dependence upon a small capitalist class. The aim to be kept steadily in view by every Christian man and woman is to enable the workers themselves to share, so far as possible, in the ownership of the land they till and of the industry in which they toil. This is not Socialism, but its very opposite.

The Church would not abolish the relations between capital and labor but place them upon a more Christian basis. Labor should receive not merely a minimum wage, but a suitable remuneration corresponding to its particular service and not conflicting with the common good, while profits, or the interest on invested capital, should be reduced to a reasonable minimum, which conflicts neither with private initiative nor with the general welfare. Thus will the nearest economic approach towards social reconstruction be made.

Over the doors of every State Legislature, over the Hall of Congress and the Senate Chamber, over the august tribunal of the Supreme Court of the land, over every council-room in which the people's representatives assemble, should be written in letters of gold the epoch-making message of

Pope Leo XIII, the most important legislative principle ever promulgated for the promotion of justice and good will throughout the earth: "Let the law favor ownership, and let its policy be to induce as many as possible of the laboring classes to become owners." Here is the only solution, the bridging-over of "the gulf between vast wealth and sheer poverty," the reconciliation with one another of all classes of society, the social basis of lasting concord and Christian charity.

CHAPTER X

DUTIES OF LABOR AND CAPITAL

IT must not be thought that in insisting upon the obligations of the employer we are overlooking the duties of the laborer. If we demand for the latter a just and reasonable wage we must equally demand a just and reasonable service in return. The laborer is not merely bound to abstain from all acts of violence and all injury to the employer's property, but also, in the words of Pope Pius X, "to perform wholly and faithfully the work which has been freely and equitably agreed upon." ("Christian Social Action.")

A system of labor retardation has been adopted both in theory and in practice within certain labor groups. This may not be wrong. To keep pace with modern machinery, at its top speed, often requires an intensity of effort which undermines the strength of the worker and shortens his life. Under such circumstances it is well that labor

unions should protect their members against these inhuman demands. So too it is right to forbid that a pace-maker, of exceptional strength, be set over the men to work them to excess. On the other hand, honest work demands that a normally reasonable amount of labor be rendered, under all circumstances, within the compass of the average laborer. "Loafing on the job" is as much an injustice as denying a living wage.

As an instance of excessive self-imposed restriction the English economist, Sir Hugh Bell, quotes a pertinent case from the English war investigations. A skilled operator engaged in copper-band cutting in a Glasgow engineering shop had cut on an average seventy-five bands a day. "Under the dilution system his daughter was taken on and put in his place, receiving such training as was necessary from her father. It was not long till she was cutting 137 bands a day." Examples of shirking work or "loafing on the job," as it is technically called, are sufficiently familiar to us all. It came into prominence even during the nation's greatest crisis, in its most important labor, the ship-building industry, at the very entrance of the United States into the war.

The unscrupulousness of immoral capital in

over-reaching the laborer by forcing upon him less than a living wage, was certain in the course of human nature to find its corollary in the denial by labor of its full service. Two other reasons for labor shirking are pointed out by the Editor of the *Catholic Charities Review*. The first is the indisposition of the present generation to do any real work. "The young men and women of this generation of working people are distinctly less efficient, are less willing to engage in honest toil than were their parents and grandparents." Our educational systems themselves have often been to blame and men are wanting in character and power to "stick to a job." There is, moreover, too often, a pagan dread and disdain of labor such as existed in the heathenism of the past.

The second reason deserves to be quoted in its entirety, since there is a great and popular delusion upon this point.

A final explanation of labor loafing is the assumption that the natural and artificial resources of our country are practically unlimited. A large proportion of the working classes are under the impression that if the product were only more equitably distributed, there would be enough to provide all with abundance through a working day of four or five hours. The present industrial order is regarded as unjust not merely because it makes a bad distribution, but because it imposes an excessively long working day. Hence the conclusion that if a man does

half a day's work, he makes a reasonable contribution to the product. All these assumptions are utterly unwarranted. As Professor W. I. King shows in his work on "The Wealth and Income of the People of the United States," the total product of the country in 1910, divided equally among the whole population, would have given each person only $332.00. Evidently no possible rearrangement of distribution would enable the masses to live in comfort if the present working day were cut in two. (*Catholic Charities Review, March,* 1918.)

Could Socialism be introduced it would not increase but limit the output still further, as it would lengthen considerably the hours of work required. The common lack of enterprise and the general labor-slacking that would follow were men condemned to toil under Socialist politicians, without even the power of striking to better their condition, would far exceed any similar evils existing today when private enterprise is ever seeking to promote production to the utmost, however far it may fall short of its purpose. Socialist State tyranny would not advance, but lessen the laborer's wage and would end, as all its abortive efforts have ended, in chaos and ruin.

For capital and labor alike there is truly required a new philosophy of life. The Church alone can offer this in her doctrine and her principles. It is with no slight satisfaction, therefore, that we behold men returning again, even though

unconsciously, to her views and teachings: "Social reformers of every school," as Cardinal Bourne rightly says, "are turning more and more to Catholic tradition; and even in the aspirations and demands of extremists we may often discern that belief in the value of human personality, that insistence upon human rights, that sense of human brotherhood, and that enthusiasm for liberty which are marked features of Catholic social doctrine."

Her liberty is not license, but insists upon duties as well as rights, and her brotherhood is all inclusive, embracing both capital and labor, employer and employed in one bond of Christian charity.

"It is no easy matter," wrote Pope Leo XIII, "to define the relative rights and mutual duties of the rich and of the poor, of Capital and of Labor. And the danger lies in this, that crafty agitators are intent on making use of these differences of opinion to pervert men's judgments and to stir up the people to revolt.

"But all agree, and there can be no question whatever, that some remedy must be found, and found quickly, for the misery and wretchedness pressing so heavily and unjustly at this moment on the vast majority of the working classes." ("The Condition of Labor.")

Since these lines were penned great progress had in many ways been made before the outbreak of the Great War in promoting the interests of labor; but much remained to be desired in the conditions of large portions of our labor population, especially of the women and children, for whom Pope Leo pleaded with a special tenderness in the words we have already quoted. Referring to the laborer himself the Holy Father wrote: "The first concern of all is to save the poor workers from the cruelty of greedy speculators, who use human beings as mere instruments for money-making. It is neither just nor human so to grind men down with excessive labor as to stupefy their minds and wear out their bodies. Man's powers, like his general nature, are limited, and beyond these limits he cannot go. His strength is developed and increased by use and exercise, but only on condition of due intermission and proper rest. Daily labor, therefore, should be so regulated as not to be protracted over longer hours than strength admits." (*Ibid.*)

Again, however, there is the strongest contrast between the doctrine of the Holy Father and the agitation carried on by Socialism. The latter is inspired by the spirit of strife and hatred and

lives by kindling into flame the passions of men. The very foundation upon which its entire system rests is essentially pagan and in deadliest opposition to Christian principles. Pope Leo again writes:

"The great mistake made in regard to the matter now under consideration is to take up with the notion that class is naturally hostile to class, and that the wealthy and the workingmen are intended by nature to live in mutual conflict. So irrational and so false is this view that the direct contrary is the truth. Each needs the other; capital cannot do without labor, nor labor without capital. Mutual agreement results in pleasantness of life and the beauty of good order; while perpetual conflict necessarily produces confusion and savage barbarity. Now, in preventing such strife as this, and in uprooting it, the efficacy of Christian institutions is marvelous and manifold. First of all, there is no intermediary more powerful than religion, whereof the Church is the interpreter and guardian, in drawing the rich and the poor together, by reminding each class of its duties to the other, and especially of the obligations of justice." (*Ibid.*)

Labor has, therefore, duties as well as rights,

and the Socialist tenet that the worker can never be wrong is the merest rant of demagogy, which all true Christian labor will indignantly resent. It is the principle of Socialism to urge the worker to continue in his warfare with the employer, no matter what concessions may have already been wrung from him, regardless of justice as of charity, and even of natural prudence. These are but the natural conclusions of the Socialist first principle of the essential class struggle, making all agreements between employer and employed nothing more than a temporary truce in the course of a battle which must be waged even to annihilation.

The institution of cooperative industrial enterprises on the part of labor, remaining purely voluntary, as advocated years ago by Bishop Ketteler, is entirely different from the Socialist plan and without injustice to any one. The real Socialist revolution, on the other hand, as Marx foretold, cannot come except in violence and blood, leaving the country in desolation and destroying its resources. Socialism has not been opposed to force upon any other ground than that of expediency. Very different is the doctrine of the Church as expressed by the Sovereign Pontiff:

"Religion teaches the laboring man and the artisan to carry out honestly and fairly all equitable agreements freely entered into; never to injure the property nor to outrage the person of an employer; never to resort to violence in defending their own cause, nor to engage in riot or disorder; and to have nothing to do with men of evil principles, who work upon the people with artful promises, and excite foolish hopes which usually end in useless regrets and the loss of all they possess." (*Ibid.*)

No less clear and emphatic are the admonitions addressed to the employing classes:

"Religion teaches the wealthy owner and the employer that their work-people are not to be accounted their slaves; that in every man they must respect his dignity and worth as a man and as a Christian; that labor is not a thing to be ashamed of, if we lend ear to right reason and to Christian philosophy, but is an honorable calling, enabling a man to sustain his life in a way upright and creditable; and that it is shameful and inhuman to treat men like chattels to make money by, or to look upon them merely as so much muscle or physical power.

" Furthermore, the employer must never tax his work-people beyond their strength, or employ them in work unsuited to their sex or age.

" His great and principal duty is to give every one a fair wage. Doubtless before deciding whether wages are adequate many things have to be considered; but wealthy owners and all masters of labor should be mindful of this, that to exercise pressure upon the indigent and the destitute for the sake of gain, and to gather one's profits out of the need of another, is condemned by all laws, human and divine. To defraud any one of wages that are his due is a crime which cries to the avenging anger of Heaven. 'Behold, the hire of the laborers . . . which by fraud hath been kept back by you, crieth aloud; and the cry of them hath entered into the ears of the Lord of Sabaoth.' " (*Ibid.*)

The developments of the future no man can foretell. But one fact is certain. There will be no peace until a more adequate distribution of ownership can be made. This, as we constantly repeat, is the key to the situation, and upon this Pope Leo has insisted in dealing with the question of the ownership of land. The laborer should not merely live from hand to mouth, but so far as pos-

sible, should have capital of his own from which he can draw his interest or dividend.

But even then it will be an illusion to hope for a final settlement and a mutual understanding and good will between all classes except through the influence of religion, the influence of that Church which has withstood the tempests, political, economic and military, of twenty centuries.

The Church has conquered every obstacle, and she who subdued the lascivious Greek and haughty Roman, who converted the hordes of the northern barbarians, and rolled back the tides of the Moslem invasion, who entered under the tent of the Iroquois and planted the cross in a thousand wildernesses, will likewise be able to renew our modern world in the spirit of Christ. "There is only one answer to this question," were the words of a great prelate. "If the Church is powerless here, we must despair of ever arriving at a peaceful settlement of the social question."

But the Church is not powerless. Her religion is not merely passive, as her enemies pretend. It is an active, energizing faith, whose influence today is most strongly felt even where it has not as yet been expressed in direct social action. That the time has come for her to enter more completely

into this field of social activity no one can for a moment doubt. This she has already begun to do in the heroic efforts made by many of her priests and laity who are answering the call of the Supreme Pontiff to carry on her social apostolate in the spirit of Christ. She has made modern civilization, giving to it all that is best and noblest in its possession today. She will seek to remake it after the model shown her upon the mount, now that it has been so sadly defaced by capitalistic greed and Socialistic hate.

CHAPTER XI

STRIKES AND TRADE AGREEMENTS

ASKED before witnesses whether he thought that ten dollars a week was enough for a longshoreman, J. P. Morgan replied that he believed it was, *if that was all he could get and took it.* The principle here laid down is clear: "Sufficient wages," as the New York Socialist *Call* has briefly summed it up, "are all that the working class can get." Radical capitalism applies this principle at one end of the scale, and radical Socialism, with the same consistency, applies it at the other. "If the formula is good for a longshoreman, it is good for the entire labor class," writes the Socialist organ. "All they can get! And that is only limited by what they produce."

Here then is a clear and concise statement of a radical principle to which neither Catholic capitalist nor Catholic laborer can ever subscribe. It gives in a nutshell the entire kernel of the labor

and strike problems in as far as they have become a menace to the world.

In the mind of the radical capitalist this principle means that the laborer need be given no higher wage or better conditions of work than economic necessity, fear or prudence dictates: "All he can get." In the mind of the radical workingman it means that there is no limit to what he may demand, short, perhaps, of killing the goose that lays the golden eggs, though Socialism would not hesitate at that.

The labor problem thus narrows down on both sides to a question of superior force. Strike will follow strike on the part of the laborer as long as there is any hope of another penny to be gained by him: "All he can get." Radical capitalism has long ago set the example and what is sauce for the goose is sauce for the gander. "This really great man," the Socialist organ says ironically of J. P. Morgan, "is of opinion that a wage worker is justified in taking all he can get, and that, when he takes it, it constitutes sufficient wages. And we are decidedly of that same opinion also."

What happens to the common people is matter of no concern either to liberalism or to Socialism. The principle of radical capitalism is not merely to

keep its wages within the minimum of economic expediency or necessity but likewise to raise its prices to the maximum of economic expediency or possibility. A sufficient profit for the radical capitalist as well as a sufficient wage for the radical laborer is defined by the brief formula: "All he can get." Public sentiment cannot entirely be ignored, but that is included in the philosophy of expediency, fundamental with both parties, though often they may overleap their mark! Beyond this, however, the public good is not consulted either in amassing profits by watered stocks and exorbitant prices or in screwing up wages by strikes and intimidation.

It would be pessimistic and unwarranted to say that the picture here given describes the entire situation. It is the writer's conviction, however, that it accurately portrays those elements, on the part of capitalism as well as of labor, which are the real menace in the great social unrest of our day. There are many degrees of radicalism, and those who consider themselves safely removed from either liberalism or Socialism are often more or less deeply tinged with their unholy principles.

In contrast with the views of radicalism, the Catholic social doctrine of Christian Democracy,

gives liberty without license to both capital and labor and so, if adhered to, will remove at least all unwarranted labor troubles, though it would not necessarily abolish strikes altogether. They were not unknown in the Middle Ages when the labor problem had at length arisen with the growing complexities of civilization, and the journeymen's gilds had sprung into existence. Many such strikes were doubtless due to the violation of Catholic principles by Catholic subjects, but it is in nowise impossible that both parties to a strike may have been fully justified, objectively as well as subjectively.

A sufficient wage, according to the Catholic ideal, as we have seen, is not "all a man can get," provided he takes it; nor all a man can take, provided he gets it, as the Socialist version might read; but a wage which can decently maintain the laborer in frugal comfort, enabling him to support his family in as far as they rightly depend upon his labors, and making it possible for him to actualize the conception of a true Christian home.

If with ten dollars a week a longshoreman can realize this ideal, then ten dollars a week is sufficient wage; if not, then ten dollars a week is

insufficient, whether he takes it or not. There may be conditions, it is true, making it impossible, under circumstances, to pay this wage. To these conditions labor and capital must then adapt themselves to the best of their power, according to the law of Christian charity which bids us to do unto others as we would have them do unto us.

But between the minimum wage, which the laborer will rightly seek to obtain even at the cost of a strike, when other reasons are not in the way, and the highly variable maximum of a just wage to which he may aspire, there lie, we admit, the possibilities of strikes that may be fully justified on the part of labor, yet to which capital is not in justice obliged to yield. The laborer who is not defrauded of his hire may demand a wage more in proportion with the value of his labor or the value of his production.

Similarly he may seek a reasonable reduction of working hours, though not actually employed under oppressive conditions of labor. These demands may not unjustly be enforced by him, provided that neither the rights of others nor the demands of charity are violated; but in all cases conciliation and arbitration are, so far as possible, to be used. A strike should be the last resort.

Thus, by the sound ethics of Christian Democracy, full justice is provided within the Church for both labor and capital while ample liberty is accorded to both, yet of neither is it simply true that they may have "all they can get." The adoption of this principle by capitalistic liberalism no less than by Socialism is the main cause of our vast social discontent and has girded the earth with labor wars to which there is no end. "All we can get" is the legend written alike upon the banners of both these belligerent armies, and the interests of neutrals are of no concern to them. Godlessness is at the heart of all such demands, godlessness which means anarchy in the moral order, and this same anarchy is bound soon to spread into the social and economic world as well.

But what if the interruption of work, brought about by a strike, seriously interferes with the public good as in the strikes of railroad employees or of those entrusted with the necessary provisioning of a city? Clearly it is then the duty of the State to do what lies in its power to avert the disaster, for it has the obligation as well as the authority to safeguard the common good. Indeed it is the duty of the State in all circumstances to seek to remove occasions that may lead to strikes. On

this subject Pope Leo XIII wrote in his Encyclical on "The Condition of Labor":

> When work-people have recourse to a strike, it is frequently because the hours of labor are too long, or the work is too hard, or because they consider their wages insufficient. The grave inconvenience of this not uncommon occurrence should be obviated by public remedial measures; for such paralyzing of labor not only affects the masters and their work-people alike, but it is extremely injurious to trade and to the general interests of the public. Moreover on such occasions violence and disorder are generally not far distant, and thus it frequently happens that the public peace is imperiled. The laws should forestall and prevent such troubles from arising, they should lend their influence and authority to the removal in good time of the causes which lead to conflicts between employers and employed.

The Church does not encourage strikes, but permits them in a just cause when no other solution can be found and justice and charity are duly preserved. Conciliation and arbitration are the natural means to be suggested in their stead. Boards for this purpose may be freely appointed by capital and labor, or may be constituted of representatives of capital, labor and the State. In cases where the common welfare is seriously threatened, moral coercion should at first be used, and if this is unavailing legal coercion may become a necessity.

The laborer's right to organize, and his right to strike when circumstances justify such action,

and there is reasonable hope of success, are not to be questioned. At the same time we must remember that there are likewise undoubted rights that belong to the public at large, and which may not be wantonly infringed upon by either capital or labor. Both parties, therefore, must be given opportunities of obtaining justice without imperiling the rights and lives of citizens. Where these opportunities are not accepted by either capital or labor, public necessity may demand that legal action be taken to enforce a settlement. Recourse to the barbaric method of throttling and starving the public in order to obtain a private end must be banished forever from civilized and Christian life, and other methods of securing impartial justice be applied. Yet justice must be secured to the laborer with the same care that the rights of property are safeguarded.

The authority ot the State is finally to be invoked to restrain all disturbers of the public peace. Freedom of speech does not guarantee the right of preaching sedition and revolution. Freedom of the press does not signify the right of teaching confiscation or inciting men to tumult and violence. We must learn to distinguish between liberty and license.

The rights of all parties, therefore, must be duly protected and defended by the State, without discrimination of person. But where private rights conflict with the common good, the latter must be given precedence. Capital and labor, if animated by the true spirit of Christian Democracy, will of their own accord hold to this principle, as did the gilds of the Ages of Faith. It was the sign of their decline when they promoted their own interests at the cost of the general welfare or sought it at the price of injustice to any man or even at the forfeit of that Christian charity which alone can maintain the structure of society in all its beauty and perfection.

A strong argument for the possibility of a sound industrial peace is found in the almost universal favor with which the peace plans, established at the instance of the United States Government between the representatives of capital, labor and the public for the duration of the world war, met on every hand. "No one, not fanatically irreconcilable," said the *Bricklayers', Masons' and Plasterers' Journal,* in commenting on the work of the labor board, "can find fault with it. Under its terms neither capital nor labor can claim any advantage in the principles and policies

laid down by it." The existing standards of all parties were protected:

"Although labor foregoes its right to strike, its right to organize and treat collectively is affirmed, and where union conditions exist there is no modification of them. The right of all workers to a wage insuring the subsistence of themselves and their families in health and reasonable comfort is declared, and there is no sex-distinction as to wages. The public, the third great party to the agreement, is assured of a maximum production of all war necessities, both on the part of employers and employees, without artificial increase of cost."

The agreement did not imply the end of industrial disputes, as the journal remarks; but it established a means of at once progressing towards their peaceful settlement through mediation. Should such methods fail the agreement further provided that the final decision was to be made by an umpire chosen by lot from a list of ten names selected by President Wilson. Why should not similar methods be successful in time of peace to the lasting exclusion of strikes and lockouts, together with all the bitterness they generate, the unhappiness and misery they cause, the harm they inflict upon production, and the suffering they bring upon the innocent public?

That the possibility of a durable industrial peace through similar means is no idle utopian dream can readily be demonstrated by the success of the

voluntary arbitration plan in the stove-molding industry. The trade-agreement drawn up in good faith by the representatives of the union and of the employers' Defense Association, during a period of industrial conflict, was each year readjusted in a joint conference of three union men and three delegates of the employers' association. The lasting peace thus established had continued unbroken for more than twenty-five years at the outbreak of the war. Why, then, could not similar plans be followed in all industries, not forgetting the interests of the general public? The tendency towards trade-agreements is the new and hopeful spirit in the labor movement. All the best powers of Christian laborers and employers should be devoted to its future development.

A new era of cooperation between the State, the trade union and the employers' organizations is opening. But we must not forget that religion is no less indispensable in the relationship between trade unions and employers' associations, than in the dealings between individual employers and workers. Nor can the intervention of any State authority or works committee insure industrial peace and the reign of justice and charity, in which the interests of the public likewise will be

safely guarded, unless religion is the guiding principle not merely of individuals but of trade unions and employers' associations, and of the State itself, which seeks to hold the even balance of justice. Religion alone can surely bring about the reign of universal brotherhood.

CHAPTER XII

THE SYMPATHETIC STRIKE

MODERN labor troubles, when of unusual extension, have often brought the sympathetic strike into prominence. The term itself is sufficiently descriptive and hardly calls for any definition. A sympathetic strike is declared when laborers, without personal cause against their employer, suspend work in approval and support of other workers who are striking. The fact that no personal grievance exists, naturally prompts us to ask in how far such a strike can be justified. The answer can best be given by means of a few practical illustrations.

A strike, we shall suppose, has been declared in one of the various branches of labor controlled by a single large firm. It is a strike waged in self-defense against real and not against fancied injustice on the part of the employers. The men are needlessly overburdened, or they are compelled

to labor on the Lord's Day without strict necessity, or they have arbitrarily been refused a wage sufficient to support themselves and their families as far as right reason demands. In this instance there is no question of mere betterment of conditions which are reasonably good, or of a farther increase in wages that are already adequate, under circumstances when both parties might be right in maintaining their positions, the laborers in demanding a fuller, though not excessive, share in the profits, and the employers in contenting themselves with fulfilling strict obligations. Such a strike might be entirely justified. However, we are not concerned with such conditions, but rather with a strike in simple defense. The laborers, we suppose, have tried all other means of redress in vain, and industrial war has been declared as the last resort, with reasonable hopes of success.

Clearly these men are deserving of all possible support that can rightfully be given them. They have failed to receive justice at the hands of their employers, the State has equally failed to come to their assistance or has been impotent to aid them, nothing therefore remains but the weapon of the strike. As the strike proceeds appeal is made by the workmen to their fellow-laborers in

other departments of the same firm. Though justly treated, these employees are not indifferent to the struggle of their less fortunate fellows. Representations are made by them to the firm, but without effect, and a sympathetic strike is at last declared against the common employers. Is the strike justified?

No personal grievance is alleged by these latter artisans, but their continuance at work would help the firm to pursue its course of injustice towards the oppressed section of employees. Clearly there are no obligations arising from the nature of the case to bind those who entered upon the sympathetic strike to labor under the stated conditions. Their interference on the side of their weaker brethren is entirely reasonable and their sympathetic strike is justified. The firm has equivalently made itself the unjust aggressor by enslaving a section of its men, forced by poverty to accept a contract which in itself is null and void, and the sympathetic strikers have come to the rescue. It is on this same principle that all righteous interference in the cause of the oppressed is justified.

In the preceding case the sympathetic strike was against the offending firm against which the original strike had been declared. A new supposition

must now be made in which the oppressed workers appeal for help, not to the men in different branches of the same firm, but to laborers under an entirely different employer. The latter has been just to his men but is unintentionally assisting the unjust firm in its oppressive methods by continuing to extend his patronage to them after the strike has been declared. Are his employees justified in declaring a sympathetic strike against him, unless these business relations are interrupted?

The answer is that ordinarily workmen are not justified in such a course. They cannot oblige their employer to discontinue his purchases, which he finds suitable and advantageous, in order that he may help to bring about the defeat of the unjust firm. Yet circumstances can arise which may make such a strike righteous. But it is impossible to lay down one principle that would cover all circumstances. Each case must be investigated and judged on its merits.

If justification can rarely be found for the latter form of the sympathetic strike, it will be far more difficult to find it for the extreme case in which a sympathetic strike is forced against employers who are in nowise connected with the un-

just firm. Such a course would inflict the greatest loss and hardship upon entirely innocent employers who have no means of conciliating their men since the latter are suffering no wrongs. The unoffending public suffers equally with the employers and the strikers' families bear perhaps the heaviest burden of the misery and woe entailed.

The harm thus inflicted upon countless helpless and innocent sufferers is likely to be out of all proportion to the good that can be gained. Nor may we overlook the moral evils that are certain to follow and the radicalism that runs riot on such occasions and embitters the hearts of men for years to come, and perhaps throughout a lifetime. When such a strike is general, as in principle it must always be to a greater or less extent, since the reason of striking against one innocent employer holds good for all, we are then faced with one of the most extreme issues that can develop in labor conflicts.

It may be well to quote authorities upon this subject. Dr. John A. Ryan, dealing with the question in the various aspects considered here, says of the general sympathetic strike: "While we cannot be certain that a general strike is never justified, we can safely say that there is against it

an overwhelming presumption." Father Henry Koch, S.J., a leading economic authority in Germany, expressed himself in even stronger terms, though the strike he evidently has in mind is the political and not the sympathetic strike. "Because of the great danger," he says, "which in a general strike threatens the entire people as well as the State itself, this form of strike appears to be altogether objectionable from the standpoint of morality."

If we recall with what deep concern Pope Leo XIII spoke of the dangers attending even the ordinary strike, we shall not hurriedly justify so terrible a state of internecine war as the general strike, an industrial conflict destructive of the spiritual no less than of the temporal welfare of men.

The evil to be feared in a general strike is therefore beyond calculation and the good to be obtained would have to be no less great in proportion. Yet, nevertheless, many would doubtless hesitate to say that a justification can never, under any circumstances, be found for the general sympathetic strike. Naturally, the less serious the foreseen consequences, the less grave likewise

would be the objections against it, but these can never be treated lightly.

The most menacing danger of our day is that men do not weigh moral reason, but only the chances of success. To the liberalistic view sufficiently common in the capitalism of our day, correspond the deep strains of radicalism prominent in the labor movement. The State must therefore do what lies in its power to prevent the calamity of a general strike by seeking to secure justice for labor and capital alike. There is one factor that can be of assistance here, and that is the Church. It is the duty of the State therefore to cooperate to the best of its ability with her efforts for mankind. Here is the true solution of the difficulties that beset us.

CHAPTER XIII

THE PROBLEM OF UNEMPLOYMENT

AS lack of laborers is one of the great problems of war, so unemployment has been the constantly recurring difficulty in times of peace. Congresses, legislatures, and popular conventions of every kind have been engaged with it. Mass meetings, organized parades and monster demonstrations have, from time to time, given public expression to the dissatisfaction of the multitudes of the unemployed. Neither have revolutionists failed to avail themselves of the opportunities thus offered to arouse still further discontent. But deepest of all, perhaps, was the distress of those who bore their misery in silence.

The problem of unemployment is not to be solved in a day. Nor can it be met by the simple erection of labor bureaus, municipal or otherwise. It has been amply studied and discussed in Europe for decades of years and still remains a "prob-

lem." The most varied measures of relief and prevention have long been tried in Belgium, Germany, Great Britain, France, Norway, Denmark, Switzerland, Austria, Hungary, Holland, Sweden, and other lands.

Before attempting a solution it is necessary to distinguish carefully between the various classes of the unemployed. The confusion existing in much of our literature upon this subject is largely due to a neglect of this precaution. There are in the first place the old, infirm or defective, who, though perhaps seeking work to avoid public charity or to ward off starvation, should be separately classed and separately provided for. There are, secondly, the professional vagrants, who must be forced to work by public authority, if this be necessary for the common good. There are next the revolutionary agitators who shirk all labor by proclaiming that they will accept it only upon their own terms or else proclaim war upon society. Farm labor or snow shoveling, the I. W. W. church-stormers of New York declared, were beneath their dignity at any wage. They would fight for their bread rather than earn it in such wise. Municipal relief they equally refused to accept. This class can be of interest only to

the criminologist and the police. The economist is not concerned with them.

There are, finally, those who are able and willing to accept work, but seek for it in vain. Their number is often very great and their misery extreme. With them alone we are concerned. Statistics can be obtained only with the greatest difficulty. Even in Germany before the war, with all its systematic precision in such matters, unemployment statistics were still so imperfect that no safe deductions could be made. The condition of the skilled craftsmen, who are best organized and best salaried, is easily learned; but it is not so easy to learn the needs of the vast and constantly shifting army of unskilled laborers.

The first and apparently most obvious solution of the problem of unemployment is that of public relief work. The theory regarding it has seldom been more perfectly developed than by Dr. Treub, Dutch Minister of Industry and Commerce, in his report to the First International Unemployment Congress, held at Ghent, in September, 1913. We give the summary of his recommendations:

1. That public bodies should as far as possible defer their undertakings to slack seasons or years of depression.

2. That reserve funds be maintained for this purpose.

3. That permanent commissions be created in every State to study economic crises and to advise public bodies as to the probable recurrence of dull seasons.

4. That public bodies undertake more frequently than is now the case, the draining of marshes, the reclamation of desert lands, afforestation, the improvement of roads, etc., with a view to furnishing employment that might carry the unemployed through periods of depression. (*Survey, Feb.* 28, 1914.)

The plan thus presented in its most feasible form has much to recommend it. Nevertheless, the entire system of relief work was greatly discredited in certain circles, owing to the failure of the Public Works Act in England. The arguments against it, as drawn from the English experiment, were thus urged by the English delegates to the same congress:

Their experience under the Public Works Act, they said in substance, had been most discouraging. The opening of artificial relief works had been very costly to the public and has actually increased the number of the unemployed. Public officials had been prone to curry popular favor by starting such enterprises, and men were attracted from legitimate employment, such as agriculture, for example, and congregated in these demoralizing centers. (*Ibid.*)

These objections deserve careful consideration. They must not, however, be taken as a final condemnation of the entire system in every respect. "Not in a day," writes the *Outlook*, "can the problem be solved that Pericles tried to meet in Athens of old by the plan of public works —

that ancient plan that has failed down the centuries whenever tried." Such a condemnation is too sweeping. The Dutch and Belgian delegates wisely pleaded for patience. The system of relief works alone is not sufficient. But it may be of service in conjunction with other methods, provided it is applied prudently. At all events the final word has not yet been spoken.

A somewhat similar plan was favorably received by the Third German Christian Workingmen's Congress. They, moreover, stressed in this connection the duty of employers' organizations and federations to do everything in their power to give greater steadiness to the labor market. This last idea was, likewise, vaguely contained in the recommendations drawn up by our own National Cooper Union Conference. It sought in particular to direct public attention and action towards "Regularization of industry — seasonal industries, dovetailing of industries, adjustment of large contracts to run long periods, casual labor, civil service methods."

The great danger in public relief work is the injection of politics. This last reason may likewise account for the high wages which are often paid and which consequently withdraw men from

regular industries and seriously overcrowd a given locality. An experiment recently made in our own country so deluged the city which offered work that a new and very serious problem presented itself. It was met by reducing wages on the public works. We must be both kind and prudent. Unfortunately the altruism required for such an attitude often lies far beyond the horizon of the local politician.

Besides the system of public relief works, two other methods are to-day receiving the most careful attention: the systems of labor bureaus and of unemployment insurance.

Labor bureaus were conducted successfully in the Middle Ages. In the fifteenth century they received a scientific development when the modern labor question first arose in a serious way, although under conditions very different from the present. With the passing away of the gilds and the progress of the Reformation the public conscience became heedless of the interests of the constantly increasing population of wage-earners. During recent years the system of labor exchanges has been revived in various ways.

The danger of irresponsible agencies, without any supervision, conducted for purely commercial

reasons, is evident even to the merest novice in social science. Profit is naturally the sole reason for their existence. They can be made the means of exploitation and even lend themselves to worse abuses. Immigrant girls have been cunningly enticed into houses of evil fame under pretense of obtaining a respectable position. Immigrants in general readily fall a prey, in this as in other ways, to the harpies who lie in wait for them to snatch away their meager savings. An indiscriminate condemnation of private labor bureaus and similar agencies is not intended here, but the duty of vigilance should be brought home.

Free municipal and state employment exchanges, when not under political control, may often be a great blessing. In this, as in other things, however, the State should not take upon itself more than is necessary. It should not attempt to exercise a monopoly. Self-help is the first principle to be insisted upon, in contradiction to modern socialistic tendencies. Only where the citizen cannot help himself must the State come to his assistance. Even here the purpose should wisely be "to help others to help themselves."

Free public labor bureaus can readily be abused by being made a mere political machine. On the

other hand, they have failed at times because insufficiently supplied with means. Properly conducted they have the great advantage of procuring labor for the men who stand most in need of it, the penniless wage-workers. Free bureaus under the auspices of charitable associations serve the same useful purpose. Labor unions, on the other hand, naturally restrict themselves to procuring work for their own members. At all events, we must not attribute to the State an exclusive right in the question of unemployment.

Private institutions, however, are inadequate to cope satisfactorily with the question of unemployment when it becomes nation-wide in times of public distress. To handle intelligently this great problem it is necessary to have a national survey of the labor situation. Many desire to proceed farther and nationalize the entire system of employment bureaus. The following was the recommendation made by two prominent experts at the First International Unemployment Congress:

> That this method of preventing unemployment [*i. e.*, by employment bureaus] be organized on a national scale, by towns and provinces, so that employers needing laborers and workmen out of employment might be brought together with the least possible waste of time and money; that men be assisted to move to the neighborhoods where their labor was in demand.

As a somewhat free application of this principle to American conditions the National Unemployment Conference passed the resolution of utilizing for this purpose the Federal Department of Labor.

Resolved, That this Conference urge the establishment in the Federal Department of Labor of a Bureau of Distribution, with power to establish employment exchanges throughout the country to supplement the work now being done by State and municipal bureaus, to act as a clearing house of information and further the distribution of labor throughout the country; when such distribution will not make for the deterioration of the present standards of wages, conditions, and hours of employment of American workers, or the impairment of their efforts to improve them.

These recommendations and resolutions indicate at least the modern trend of thought. Evidently there may be danger of exaggeration and unnecessary accumulation of national expenses in such movements, yet an intelligent cooperation of the national labor department with the State, municipal, and private bureaus is in itself highly desirable.

The need of national bureaus of information in the harbor cities in order wisely to direct the vast numbers of immigrants streaming through our gates seems to be especially urgent. An exceedingly great proportion of these new arrivals come to America from the farmlands of Europe.

Instead of spreading over the broad areas of arable soil, which the country has to offer, they huddle together in the large cities. Thus, whereas they might bring with them a blessing to civilization, they often become a burden, and at times even a curse. This is especially true when they fall under the influence of radical agitators constantly seeking to make of them the nucleus of their projected revolution. The main object of national information bureaus would be to aid in distributing such immigrants most advantageously over our great and often poorly cultivated farmlands. Their transportation will, of course, afford a new problem.

The Catholic Church herself has a serious duty here. It is necessary, as far as possible, to direct these men to localities where the benefit of spiritual guidance and the blessing of the sacraments may be accorded to them. This is particularly the case where immigrants are directed to settle upon the land. In such cases churches are often rare. Yet unless some provision is made for them they will be lost to the Faith in great numbers. This has been the bitter experience of the past. Fortunately this serious problem has not been overlooked, and it is to be hoped that every

assistance will be given to the men engaged in the important work of aiding Catholic farm immigrants to settle in localities provided with Catholic churches. Protestant denominations are at times exceedingly active among these foreign elements, and even employ a corps of paid agents proficient in many languages, so that direct guidance can be given to every stranger in his own tongue.

Every immigrant who comes to our coast must be numbered among the unemployed. It is evident, therefore, how in this problem, as in every other, the question of religion cannot be disregarded. Even among native laborers there would be great possibilities of abuses in this matter. Therefore, the problem of a national system of labor bureaus must likewise be viewed from its religious side.

The following recommendations for labor distribution were drawn up by the United States in the early period of the war:

For the purpose of mobilizing the labor supply, with a view to its rapid and effective distribution, a permanent list of the number of skilled and other workers available in different parts of the nation shall be kept on file by the Department of Labor, the information to be constantly furnished: (1) by the trade unions, (2) by State employment bureaus and federal agencies of like character, (3) by the managers and operators of industrial establishments throughout the country. These agencies

should be given opportunity to aid in the distribution of labor, as necessity demands.

The plan is conceived on a most comprehensive scale, though there is no mention of the numerous charitable agencies. Even more elaborate was the plan for the mobilization of the unskilled workers of the land, and their distribution through the agencies centralized in the United States Employment Service. But the object in view here was the supply of labor for war work. There was question of a dearth and not of a surplus of workers.

The supreme difficulty in the establishment of public employment exchanges will present itself during times of strike. Evidently such institutions must be perfectly neutral, favoring neither labor nor capital. Wherever a strike has been declared employers will clamor for assistance, while the unions will be inclined to demand that it be refused. There is only one course open to a free public labor bureau. It must declare the existence of the strike, while at the same time advertising the fact of an open employment. Some provisions, however, might be made to secure fair treatment of labor as a condition of giving recognition to any firm.

In spite, however, of all precautions and facilities a certain amount of unemployment must often occur. To prevent unnecessary hardship during this time an unemployment insurance is widely advocated. It exists at present to a limited extent in some of our own trade unions. In Europe it has been adopted as a civic measure by various communities. The city or government offers a subvention and the remaining portion of the unemployment fund is made up of regular contributions. Only such as faithfully pay their monthly tax can enjoy the benefit of the unemployment insurance.

In view of the various experiments already made, the conclusion must be drawn that practically the only class of workingmen who avail themselves of this privilege are the members of labor organizations. The unskilled and unorganized laborer cannot be induced to contribute to such a fund, unless the obligation is legally forced upon him, and the money is actually deducted from his wages. Those, therefore, enjoy the public liberality who stand least in need of it. Exception, of course, must be made for countries in which organization is very general.

It seems that unemployment insurance as a

civic measure, if deemed advisable, cannot be introduced except as a compulsory law.

The following is the view expressed by the Archbishop of Melbourne, in dealing with the important question of unemployment, as reported in the *Catholic Times* for March 8, 1918:

> To my mind, governments are bound to provide against unemployment so far as they may, and then to provide for the unemployed. It is very poor consolation to tell a man that when employed he has a right to a living wage, if at the same time he is starving for want of work. If, as Pope Leo says, the inherent dignity of man's nature entitles him to a living wage when he is at work, the same requirement of his nature should imperatively demand for him a decent sustenance when he is willing to undertake, but, through no fault of his own, is unable to find, work. If the right to work and the right to support during unemployment were recognized, as I think they ought to be recognized, I promise you that governments and capitalists would try to find work for all. I know that people will say that I am playing fast and loose with property. Of course, I am putting upon the State, and upon society, duties which they are naturally reluctant to undertake.

He believes this to be a wider application of the doctrine of the living wage as maintained by Pope Leo XIII. As for those who stand aghast at the financial difficulties of such a plan, he points to the willingness with which untold millions were contributed for the great European conflict. "Heaven and earth would have been moved and all the devices of Parliament exhausted before an

hundredth part of that expenditure would have gone to improve the lot of the poor man who labors for a living." Yet this surely is no less a duty of democracy.

CHAPTER XIV

IS THERE WORK FOR ALL?

THE constantly recurring evil of unemployment naturally suggests the pertinent question, "Is it possible to provide all men with opportunities for work?" Guided by the light of faith we need not hesitate in giving our answer.

God has imposed upon mankind the necessity of labor. He consequently desires that in the ordinary course of events all should have the possibility of fulfilling this obligation. A civilization in which frequent unemployment on the part of a multitude of men, able and willing to work, is a normal condition, has failed to use its natural or supernatural provisions. Probably both.

There is, furthermore, no contradiction between the Divine decree of labor and the primal blessing given to mankind: "Increase and multiply." Faith and reason tell us this. God cannot contradict Himself. The preaching of race suicide by Socialists in the name of labor is but

another logical expression of their rebellion against Divine as well as human laws. We must add, however, that only when all the commandments of God and His Church are in force can we be certain that His wise provisions for the human race will not be frustrated. Over-population will not exhaust the earth and the fullness thereof.

Doubtless there exists the closest connection even between the highest spiritual counsels and the general economic welfare of humanity. No integral element, such for instance as religious vocations, can be taken from God's plan of the world without entailing serious consequences.

On the other hand, the added violations of God's laws must constantly increase the general chaos and those unnecessary miseries which are attributable only to man's ill-ordered affections. Suffering, of course, is never to be banished from man's earthly existence. It is his greatest source of supernatural merit. Temporary unemployment may, therefore, exist from time to time as one of those sufferings to which man is heir in his fallen state, as one of the means of penance and sanctification. Such, however, is not the problem which confronts us so frequently in modern civilization.

Neither can this problem be solved by diminishing the work day to a fanciful minimum of hours while increasing the wages in an inverse proportion, and establishing the Socialist "right to loaf." As the idle rich are a scandal, so the idle poor, whether in voluntary or enforced unemployment, are a disgrace to our civilization.

What, then, is wrong with the world? Much, very much! Yet all may be summed up in one word: estrangement from Christ and His Church. If her teaching regarding the education and safeguarding of the child were duly observed; if woman regained her natural place in society and the household and the dignity which Christianity conferred upon her; if the modern evils which prevent or delay marriage, sever domestic ties and destroy the sanctity of home, were swept away; if just wages were paid to the workingman, to the exclusion of all radical demands, so that every father of a family could with honest thrift reasonably support both wife and children; if, in fine, a more fair distribution of profits were enforced, then the first step had been taken towards the ultimate solution of the problem of unemployment. In office, factory and shop countless positions would at once be left vacant for men to fill, nor

would women be prevented from earning their daily bread in their various and befitting occupations where not claimed by household duties and the care of little ones. We clearly understand the position of women in industry and commerce, we fully realize the stern necessity which places its compulsion upon them and we deeply sympathize with all their difficulties. Only with the return of true and practical Christianity will woman ever come into her own.

There was no little truth in the following indictment of the capitalistic system as it developed after the Reformation. The words quoted are taken from an issue of the *Iternational Socialist Review* published shortly before the outbreak of the war:

> Every day we see homes being broken up all around us. The homes of thousands of workers are broken up every day. Fathers are forced to leave their families and go to distant states to get a job; mothers are compelled to leave their babies and earn money in factories or mills to support them. Little children, who ought to be in school, have to go to work to keep the wolf from the door.
>
> Low wages, uncertain jobs and the profit system are breaking up the homes of working people faster and faster every day. (*Oct.*, 1913.)

The solution to such a condition, wherever it may exist, is not a new enslavement under Social-

ism, but a system of Christian Democracy. Men are not all to be leveled down to the same condition of misery, as would inevitably be the case under a bureaucratic Socialist absolutism, paralyzing the energy and initiative that come from private enterprise. They should be lifted up instead to the fullest participation possible in the possession of productive property. The only reasonable aim of society is a wider distribution, and not a destruction of private capital. Differences of wealth and of classes are in conformity with the differences in nature itself, but these do not militate against a more equitable distribution of the goods of the earth which God has created for all.

The country, too, must be restored to its due honors, and just laws provided to secure for the husbandman the fruits of his labor, if starvation is not to be added to unemployment. All these conditions may seem utopian. Yet they are no more utopian than Christianity itself. They are only its economic expression.

The fault, therefore, lies not with modern machinery or any other modern inventions. Neither the disruption of the home nor want of labor is due to these. They are merely factors calling for social readjustments, such as have at various

times taken place in the past. With the influence of Catholic teaching paramount these readjustments could again be successfully brought about. The morality of the home, the decree of labor, the Divine benediction, "Increase and multiply," are not for one period, but for all time. No economic evolutions can ever alter them.

Justice and charity are compatible with every stage of industrial progress. Were the Sunday rest of the church observed religiously, were her holidays of obligation in force as during the ages of Faith, were the home preserved in its integrity and not replaced to such an extent by factory and shop, were senseless excesses and expenditures avoided and the law of brotherhood and Christian solidarity obeyed in the spirit of her teaching, there would be work and bread for all today. Charity would supply in the love of Christ for whatever might still be wanting in times of private or public distress. There would be less display, there would be fewer fortunes made, but the happiness of the people would increase a thousandfold. There would be place neither for Liberalism nor Socialism in such a world.

But we must take conditions as we find them.

Ideal they can never be. Original sin is a fact which the world may try to ignore, but whose consequences it must always feel. As Christians every social problem is of interest to us, and the problem of unemployment not least of all. Our Lord Himself, we may well suppose, had suffered bitterly from it.

What Christian does not feel the gentle touch of grateful pity when he contemplates the Flight into Egypt? How the heart of Joseph sank as with Mother and Child he hastened in the night, through the silent moon-lit streets of Bethlehem, at the angel's warning! He looked to God's Providence alone to find a living for those most dear to him.

But it was not in the ruling of that Providence to remove the suffering which was to be so meritorious for him and in which Christ and Mary were to have so large a part. We can picture him, humbled and abashed, perhaps penniless and breadless, as he asks for work in a pagan city from people speaking an alien tongue. Yet there was no pang of that royal, faithful heart in which Christ and Mary did not bear their happy part. They were winning even then the special graces of

patience and of sanctification for the multitudes of the unemployed through all the ages who were to suffer in union with them.

While therefore resignation to God's will is the spirit of Christ, yet it does not free us from the duty of relieving to the utmost in our power the human miseries of the present life. But we may not forget at the same time that only one final solution can ever be found. It is the same for all the problems of our age. No purely material remedy can cure its distempers. It is the soul which is sick. Only the Divine Physician has power to heal it. Only the Church can restore the beauty and joy and peace and strength which have been lost in spite of all material progress. More can be accomplished by the pure preaching of the Gospel than by all the wisdom of our social experts. The Church does not repudiate their labors, she encourages her children to aid in this work to the utmost of their power wherever it is conducted on righteous and charitable principles. But she would have us contribute more than mere material assistance. The power of the word of God, of penance, prayer and the sacraments must not be forgotten as the foremost remedy for the evils of every age. A Saint Francis of Assisi is of more

avail for the true regeneration of mankind than a host of sociologists, and a Carmel of Saint Teresa than a hundred social institutes. The world needs Christianity, and Christianity in its fulness is Catholicism.

It is not to discredit social work, but to motive it aright, that these lines have been written. By our true, active, Christian interest in the poor and afflicted of every kind we prove ourselves to be followers of Christ. Yet we must not forget that the poverty and sickness of soul in which our generation languishes is inexpressibly greater than any merely material want or suffering. The worst of all symptoms is that men are able to recognize only the physical malady. To cure this blindness must be the first and greatest of all our social work. "Rabboni, that I may see."

CHAPTER XV

THE GREAT FARM PROBLEM

THE one essential class of workers, as an editorial writer in a New York daily recently remarked, are the farmers. Civilization can exist without bankers, brokers, and lawyers. It is even possible without minutely specialized trades and organized schools. A civilization of no mean pretensions existed in the early manorial days when each family-group produced all that it consumed, constructed the roof under which it dwelled, and spun from the wool of its flocks the garments that it wore. Even in our own time all human subsistence, as Pope Leo XIII wisely said, "is derived either from labor on one's own land, or from some industry which is paid for either in the produce of the land itself or in that which is exchanged for what the land brings forth."

Self-preservation, therefore, if no other reason, should urge a nation to consider first and foremost

the interest of its farming population. This becomes more imperative, the more a nation increases in the development of its cities and the expansion of its industries. We are all familiar with the famous "Hooverism" that "Food will win the war."

But the farming problem is far more than a war question. It looms equally large in times of peace. It is only the clatter of machinery, the endless whir of the revolving wheels, the cry of poverty and distress within the city streets and the constant stirrings of social unrest that can cause the city-bred economist to overlook the larger issues to be worked out upon the land.

The class of small farmers is the strength and support of the nation. Here we can still find that economic independence of which industrialism has deprived so large a proportion of the city population. But to protect this class organized assistance must be given and organized protection extended. Above all we must teach the farmers themselves to organize if they would secure their rights and have their interests duly consulted in our legislatures. Nothing is truer than the statement shrewdly made in a Hearst paper, that there are just two things that operate decisively upon the

intelligence and the conduct of the average politician: "One is the secret whisper of the cunning corporation agent. The other is the power of a majority of the voters, massed in active organization, resolutely bent upon having their will performed."

But organization of our farmers is equally necessary for direct economic purposes. The invention of machinery has made cooperation among farmers imperative. "The factory type of estate will dominate in agricultural production, unless signs fail," was the forecast made by a writer in the *American Journal of Sociology*. We should not permit this to come about. The independence of the small farmer must be preserved and can be preserved. He is not to be absorbed into a system which will reproduce upon the farm the conditions existing in factory life. Yet there is but one means to prevent such a catastrophe and that is organization on the part of our farmers, not merely to obtain that political representation to which they are entitled, but likewise to enable them to work cooperatively. It is thus alone that they can avail themselves, equally with the large capitalist, of the enormous and expensive agricultural machinery with its time-saving and man-

saving devices. Buying, stock-shipping, conducting of warehouses and elevators, and countless other branches of business can then too be carried on through independent farmers' unions. Cooperation through organization is the economic solution, if not of all, at least of many of our farming problems. This question will again be treated in the chapters on cooperation.

Attention, too, must be given to the farm-labor problem. The story of a "farmhand" is told who worked from dawn until night, completing his chores by lantern light. At the end of the month he came to the farmer:

"I'm going to quit," he said. "You promised me a steady job."

"Well, haven't you one?" was the astonished reply.

"No," came the answer. "There are some three or four hours every night I haven't anything to do except to fool away my time with sleeping."

Discussing this problem in the *American Labor Legislation Review,* E. V. Wilcox, of the United States Office of Farm Management, says that the problem of farm labor is not a new one and has always existed. The farmer complains of the inefficiency of his laborer, and the latter no less

persistently blames the farmer for poor housing conditions, poor food, and bad treatment.

The laborer has complained more bitterly perhaps of irregularity in hours than of the length of the day's work on the farm. He has also resented the fact that in many instances his social status is wholly anomalous and indefinable, since he appears to be neither a member of the family nor of any other recognized status. In fact, he seems to feel that from the viewpoint of the farmer he is neither flesh, fowl nor good red herring.

It is plainly necessary, Mr. Wilcox argues in conclusion, that the two parties should strive to reach an agreement with each other. "Each must meet the other's reasonable requirements."

The need of providing for the interests of both the farmer and the farm laborer is obvious to all. "Back to the land!" was the warning cry of all modern economists long before the outbreak of the Great War. They could not fail to realize the serious danger arising from the steady influx of the country population into the towns.

In America a scarcity of food was seriously brought home to the nation for the first time at the outbreak of the Great War. It was due in no slight measure to the almost criminal neglect of the farming population of the States. Men had been paying extravagant prices for farm products, but too often little more than an infinitesimal por-

tion of the profit had gone to the farmer. Dr. Frederic C. Howe points out that the lettuce on the table had sometimes cost 2,900 per cent. of what the farmer received for it. This, of course, though true, is an extreme example, yet the fact remains, that the farmer has often received the merest pittance for his labor, while his produce was sold at enormous prices in the cities. Others reaped the benefit, his was the toil and the worry.

There were many causes which conspired to bring about these results. One was the natural tendency of the railways to favor the longer hauls. Thus we are told of conditions that existed while this railroad absolutism lasted:

> Apples, which the farmers of New York are ready and eager to sell for $2.50 a barrel, rotted on the ground fifty or a hundred miles from the city, while carloads of Western apples are sold at prices prohibitive to the poor. Peaches, pears and other fruits find the city markets closed against them, while Florida, Maryland and distant producers secure cars and buyers in abundance. (*Howe,* "The High Cost of Living.")

While farmers were driven from their farms in the East, the transportation agencies held the same power of life or death over the more distant cultivators, not to mention the grievance of the consumer and the intense suffering caused to the poor.

Favoritism likewise could be shown by side-tracking cars, or neglecting entire sections of farming lands.

Many of these evils have been remedied, and all, it would seem, could be set aside by an ideal Government control or even Government ownership of the railroads. The danger, however, always remains that such control and ownership may be far from ideal. No one can question its wonderful success in Germany before the war, nor its absolute failure in other instances that might readily be quoted. Yet Government supervision of some kind there certainly must be. Simply to leave the farmer to his fate is to leave the country to destruction.

The writer previously quoted is probably not far wrong when he attributes Germany's economic strength during the war to her organization for food distribution. Her railroads, as he says, were operated to help industry and to build up agriculture. "No one, least of all the railway officials, would listen for a moment to the suggestion that farm produce from Hamburg, on the North Sea, should be brought to East Prussia because it would benefit the railroads." One of

the main objects of the latter must be to benefit both producer and consumer.

We have to some extent met the abuses of railroads, storage combines, and middlemen which threatened to make of farming, in some portions of the country, an almost impossible means of livelihood. Much still remains to be done in these regards, but we must likewise offer positive encouragement and assistance to the farmer if we wish to consult not his advantage alone, but the welfare of the entire community. Thus Denmark and Australia have set an example by lending money to him at reasonable rates.

Had America done this in the case of the great immigrant population that has yearly entered her ports, while not neglecting to secure for its farm produce the proper transportation and distribution, there would never have been a food scarcity to be dreaded. Laudable efforts have been made in this direction, but the States were very late to enter upon the way of progress, while Reiffeisen banks and excellent credit systems, so essential to agricultural development, had been long ago established in other countries.

The inadequate provision made for the farm-

ing population of the United States helped to augment the yearly emigration of thousands of them to the neighboring Canadian farm lands.

Another great evil is the possession of large sections of untilled land by wealthy owners. Thus the report of a special commission on large land-holdings in Southern California stated: "It is certain that much of the tillable land in the large holdings lies idle in the face of insistent demand of many thousands of men for access to the soil." While we cannot too earnestly protect the small farm-owner in the possession of the soil he cultivates, we must equally seek to multiply such owners. Where conditions may render it necessary, a graduated land tax will be no less justified than a progressive income tax.

If opportunities are provided him and an adequate credit system is developed, a deserving immigrant, who has come to America from the farm lands of Europe, endowed with skill, strength, and industry, but without material means, can be offered a pleasant and comfortable home. In place of adding to the industrial confusion and swelling, it may be, the ranks of malcontents and revolutionaries, he will have a chance to become of the highest service to the commonwealth.

Few indeed realize how intimately the economic questions of the day are connected with the Agrarian problem and fewer still understand the nature of the tremendous issues at stake upon the land itself. Not merely the loan shark, the middleman, the railway, and the capitalistic speculator are to be taken into consideration, but the great struggle between Socialism and Christianity is here likewise persistently fought. Socialism in fact has made concessions of every kind to gain the vote of the farmer without whom it despairs of compassing its end. The interests of religion, above all, are to be safeguarded here. A glance at Pierre L'Ermite's novel, "The Mighty Friend" will give us a closer insight into this question.

The agricultural problem in Europe naturally presents certain phases that are not to be found in America. Thus that intensity of affection for every acre of inherited land which fills the hearts of the inhabitants of the Old World is obviously not to be looked for in the newer countries. It requires the slow growth of centuries and the static conditions of European ownership, such as existed before the great world war, to bring about the conditions described by Pierre L'Ermite, to whom the soil is still a sacred trust, a thing "com-

pact of the dust, the remembrances and the toil of our ancestors." It is thus nothing less than "The Mighty Friend," who is loved with an affection strong as life itself.

However different agricultural conditions in the New World may be from those of rural Europe, yet the physical and moral arguments in favor of the land against the factory hold equally true today for every country. The main object of Pierre L'Ermite, in his novel, "The Mighty Friend," was to combat the idea gaining ground everywhere, that life on the land "no longer makes for greatness, whatever it may have done in the past." A petty weakness of the farmer is to belittle the results of his work without seriously believing his own words. The factory agents in Pierre L'Ermite's story cleverly fall in with this mood to coax him from the land into the newly erected piles of masonry, with their smoke-stacks already darkening the sky, their waste polluting the stream, and their noisome odors poisoning the pure country air.

"After taking any amount of trouble with the ground," they argue with the country folk, "the ungrateful thing will do no more than give you, at the end of the day's work, the *hope* of a harvest

that perhaps will never materialize. You take every precaution, you provide yourself with all sorts of guarantees, and you choose your seed well, but who can assure you that you are not going to be frozen out, hailed out, scorched out, swamped out? Now, the factory-hand hasn't any of these worries. It does not matter to him what weather it is. Every night of his life the white pieces are clinking in his hand, full weight, three francs, four francs, five francs, as the case may be, and sometimes up to six francs and more."

Similar thoughts suggest themselves to the farmer of their own accord, particularly after a failure in crops or other mishaps and difficulties. The reverse of the picture is too frequently ignored.

Graphically the author depicts for us, in contrast to the former happy country life, the familiar abominations of a factory system such as that conducted by the firm of his story, representing all the worst vices of rationalistic capitalism. The utmost personal gain is the only object in view. The dignity of labor is degraded and its value rated beneath the very beasts of burden, whose loss or disability implies at least a financial consideration for their owner, while labor is plentiful upon the

market. Religion is utterly ignored, and immorality and Socialism are consequently bred like maggots in the social corruption of workshop and slum. The murderous activity of the hired agitator, who finds in such surroundings the ideal conditions for his criminal purposes, is certain to follow. We behold, too, in the story the smug intervention of a professional syndicalist labor council — whose equivalent in the United States were the I. W. W. — between the men and their employers, and the use of all those modern methods of agitation, which we have already had sufficient opportunity to study in Europe and America, and by which thousands of men are lashed into senseless fury, until they are finally goaded on to acts of destruction, violence, and bloodshed.

City life, with its sordid, malodorous quarters where the poor are huddled together, its large department stores with their armies of anemic shop girls, its bewildering wharves and stations, and its sooty, grimy factories, is to the author's imagination little better than existence in a prison house. A perceptible thrill of horror runs through his frame as he recalls " some Satanic kitchen at work — gigantic furnaces, colossal steel engines and the like, amid which ran to and fro certain murky or

khaki-colored pigmies, who on second glance had something human about them." Even the very rows of urban dwellings, put up probably by the factory owners themselves and seen through a heavy dust-laden atmosphere, "reeking with the mephitic stench of chemical products," cast a gloom over his spirit, which we ourselves have undoubtedly often experienced: "Everywhere the same gloomy tone of the same commercial brickwork that looked as though it might have been kneaded in the claypits from the very heart's blood of all the world's tedium and wretchedness."

That factories are a necessity of our age no one is likely to dispute. The very implements of a progressive agriculture, upon which the author so greatly insists, require them. Many, moreover, as he freely admits, are conducted on Christian, or at least on humanitarian principles, which are often found to be even economically the most satisfactory.

Yet the truth is that even with the worst of existing conditions men will flock from country to city, so that economically all the danger is upon one side. The temptations to evil, especially for the young, whether boys or girls, in our modern factories, are daily growing more appalling. No

matter, however, how disillusioned the poor worker may be after a short experience in factory life, there is little hope that he will ever return to the land which he has left. His little farm has been sold. His old ties have all been severed and new habits have been formed. Even should he still possess the means and the inclination to return, his children are unaccustomed to the toil of the fields, which they consider inferior, while the city has securely meshed them about with its thousand lures.

The country, too, it is true, is daily invaded by a godless press, and Socialist agitation reaches into every quiet nook and corner. The small landholder, the tenant farmer and the farm laborer must alike be solicited if Socialism is to be successful. We therefore behold a vast campaign, cunningly planned and carried out, to flood every remotest country district with a poisonous literature, which artfully combines exaggeration and skilful sophistry with cleverly manipulated statistics or deceptive conclusions drawn from a one-sided presentation of official investigations, while at the same time attacking the Church, her clergy, and the principles of Christianity. Nor is this the only danger, for the vices of city life, or their

equivalents, are often no less pronounced upon the land.

It is necessary, therefore, for every influential agriculturist, and for every pastor of souls, wherever the country spire lifts up its cross above the waving tree tops and the sound of the angelus floats over the golden fields, to second the efficacy of prayer and the Sacraments by the systematic introduction of Catholic literature into every home. A specific agrarian Catholic literature is a need of our day, which we know has not been entirely overlooked. Papers, moreover, with a large agrarian subscription should be keen to weed out all the errors, social, economic, and religious, which the enemy is sowing, while the rightful owner is perhaps fast asleep. If Catholic literature does not reach the farmer, Socialistic and other objectionable literature certainly will.

It is interesting, therefore, to note that Pierre L'Ermite has not forgotten to record among the resolutions of his Catholic country squire one which is perhaps the most important of all: "I want to have well-edited, up-to-date local papers, all Catholic in tone, and all keenly devoted to agricultural interests." How such papers can be edited, with a central organ to which local addi-

tions can be made by local editors, Socialists have taught us in their successful newspaper methods. It was likewise by a capitalistic press, instantly established, that the heartless factory owners in Pierre L'Ermite's novel dominated popular opinion among the farmers and sought to instil hatred against the Church, which is always combated alike by godless wealth and materialistic Socialism.

Another question of great moment in our own country is the systematic direction of Catholic immigrants into localities where spiritual ministration to them is possible, a work to which attention has already been given. The scattering of Catholic families throughout vast country districts, where even Catholic fellowship is wanting, was responsible for many losses in the early history of the Church in America. Nothing therefore could be of greater importance than that we cooperate in every way possible with our Catholic colonization societies, which fortunately have taken in hand the solution of this most vital question.

CHAPTER XVI

CHURCH AND LABOR ORGANIZATIONS

PARTICULAR stress is laid in the Papal Encyclicals upon the benefit to be derived from social organizations permeated with the spirit of Christianity. In the Middle Ages, when the power of the Church was universally acknowledged, we find her everywhere encouraging and developing the system of Catholic trade unionism as it then existed in her gilds. Like an immense network, they overspread the entire Christian world. Each gild constituted, according to the mind of the Church, one great family. Spiritual as well as temporal benefits were sought by the members during life, and masses were offered for their souls after death. Apprentices, journeymen and masters were still united by identical interests. Poverty, as it exists in our day, was practically unknown. Though need and suffering were never wanting, yet the great monas-

teries of the land were ever open to alleviate distress. Their wealth was ever the patrimony of the poor.

In France, in England, in Germany, in Italy, and wherever the Catholic Church flourished, there likewise sprang up, like flowers from a single seed, the same strongly organized Catholic gilds, lasting unimpaired through centuries and securing temporal and spiritual benefits for all. No modern reformer can suggest conditions superior to those indicated in the statutes of the mining gilds of Bohemia and Saxony. "Hygienic conditions in the mines, ventilation of the pits, precautions against accident, bathing houses, time of labor (eight hours daily and sometimes less), supply of the necessaries of life at fair prices, scale of wages, care of the sick and disabled, etc.,— no detail seems to have been lost sight of." ("Gilds," *Catholic Encyclopedia.*)

Nor were the legitimate methods of trade unionism questioned as in the post-Reformation days. Thus the principle of the closed shop was universally acknowledged. Unless a man was willing to bear the burdens which trade organization implied, and to abide by the just standards it prescribed, he was not permitted to share in its

privileges or even to practise the trade as a master workman. To make this just it was necessary, however, that no reasonable difficulty should exist in gaining admission to a gild, and that the trade union should be as careful of the consumer as of its own membership. Such was the attitude of the gilds, where in the first place a moderate income was assured to everyone, and in the second place the welfare of the consumer was not one whit less jealously guarded by the establishment of fixed just prices and by securing for him fair measure and perfect quality in all the goods produced.

The policy of the closed shop, however, becomes immoral when admission into the union is made difficult for non-members, so that all qualified workers can no longer gain admittance on reasonable terms. The same holds true when no sufficient reason for this policy exists, as when the inconvenience caused to non-unionists is out of proportion to the good accomplished.

The training of apprentices, too, was most strictly provided for by the gilds. When an oppressive limitation of apprentices was in many instances at length introduced the gilds were already in their religious as well as economic de-

cline. Such a limitation clearly becomes unjust when the policy is dictated by selfishness, so that skilled workers are so few that they can command abnormally high wages. This is an injustice to the men excluded and to the consumer who must bear the final inconvenience. No such abuse existed in the halcyon days of Catholicity when apprentices received the most careful technical, moral and religious training from their masters.

A new factor now appeared in the industrial world. It was the Reformation. The effect of the new individualism, transferred from religion to economics, was highly disastrous, as has been shown. It necessarily resulted in the concentration of enormous wealth in the hands of a few and the general oppression and exploitation of the many.

Upon the destruction of the monasteries, which had always supported the suffering and the needy, there followed also the deterioration of the craft gilds, which had been the strength and protection of labor and might in better times have successfully met the changed conditions in the economic order. But oppressive industrial legislations now succeeded one another, until stripped of all his most precious rights and shackled in all

his essential liberties, the worker was relentlessly delivered over to the mercy of a rapacious employer, free to interpret the Gospel according to his own preconceived and selfish notions. Labor organizations came to be regarded as crime and conspiracy. Authority in religion had been destroyed wherever the new doctrines were accepted so that no one was authorized to decide in matters of justice and morality. This was the function which Christ had given to His divinely-established Church. In rejecting her it was obvious that economic anarchy would likewise follow the anarchy introduced into religion.

We are all familiar with the great material changes which now took place in the world of industry. But the oppression of labor and the exploitation of helplessness and poverty such as developed after the time of the Reformation and had been prepared for by previous religious indifference, were not necessitated by the invention of machinery and the subsequent industrial expansion. They were due to the rejection of the morality of the Church and the consequently economic individualism, together with the enforcement of individual bargaining.

It is therefore no exaggeration to say that the

present strained condition between capital and labor, which Socialism is striving to aggravate, is largely the result of the apostasy from the Church, and with it of the loss of all religious authority, of all certainty in faith, of all sure and safe guidance in the path of morality and of all that strength of the Sacraments so sadly needed to support both capital and labor in their temptations to selfishness and greed. Only in proportion, as men shall once more acknowledge those great truths and principles which the Church has sacredly guarded through all the centuries can any lasting solution of the labor problem be possible. Without this precaution organized labor itself will but degenerate into a tyranny of godlessness to replace the old despotism of individualistic capital. For one evil spirit that is driven out seven others will return, and the latter state of society will be worse than the former.

Socialism, or its revolutionary principles where Socialism itself is not adopted, can have no other outcome. Professedly it takes no account of religion; in practice it has upon every opportunity and in every country shown itself a bitter opponent of Christianity. Its most famous leaders were not merely atheistic, as individuals of any party

may be, but many openly held that Socialism itself is incompatible with Christianity.

Socialism, in a word, has been the disorganizing force in labor unionism. It prevented the hearty cooperation of all labor elements within the same trade unions, by insisting upon principles and methods to which Christian laborers could not subscribe, and by seeking to spread among them an irreligious and immoral literature. Hence the necessity, before the war, of founding everywhere throughout Europe the splendidly organized Christian or Catholic trade unions. Such unions might, under normal circumstances, likewise have been founded, but could then have become an integral part of the local trade union movement, giving only the greater assistance because of their staunch adherence to Catholic training and Catholic principles. Every effort was made by Socialists to slander these unions, so that entirely false reports were spread in their regard.

The condition to which a vast proportion of the labor organizations in Europe was reduced through Socialistic influence is thus described by Pope Leo:

> Associations of every kind, and especially those of workingmen, are now far more common than heretofore. As regards many of these there is no need at present to inquire whence they spring,

what are their objects, or what the means they employ. There is a good deal of evidence, however, which goes to prove that many of these societies are in the hands of secret leaders, and are managed on principles ill-according with Christianity and the public well-being; and that they do their utmost to get within their grasp the whole field of labor, and force workingmen either to join them or to starve. Under these circumstances Christian workingmen must do one of two things: either join associations in which their religion will be exposed to peril, or form associations among themselves — unite their forces and shake off courageously the yoke of so unrighteous and intolerable an oppression. No one who does not wish to expose man's chief good to extreme risk will for a moment hesitate to say that the second alternative should by all means be adopted. ("The Condition of Labor.")

Labor organizations based upon the teaching of Christ, founded upon the universal Brotherhood of man and Fatherhood of God, repudiating all doctrine of hatred and class antagonism, whether in principle or practice, standing for equal justice for employer and employed, have ever found in the Church their foremost champion.

It was the Church which in her earliest period emancipated labor from the servile condition to which paganism had reduced it. It was the Church which in the age of the great Fathers and Doctors used in labor's defense language so strong and emphatic that one who has studied their writings in disconnected passages and apart from their historic setting, might imagine that he can find in

them a warrant for revolutionary doctrine. The revolution which the Fathers preached and which the Church insists upon is the revolution of the heart. If this takes place there will be no need of any other; but if this is not carried out all others will be vain.

Today the Catholic Church strongly encourages all labor organizations whose principles are in accordance with the Gospel of Christ. Catholic laborers in particular are exhorted to stand by each other. We cannot, furthermore, too heartily endorse the movement on foot to establish Catholic social study centers in every city. These may be erected in various convenient localities so as to embrace every parish of the city. Speakers can then pass in rotation from one center to the other, as was planned in Toledo. We must act in a corporate manner, not as politicians after Socialist methods, but as Christians safeguarding our own brethren from destruction. We mean to cause no faction in the labor camp, as Socialism was doing, but to help all truly Christian and religious labor activities. Organization for the laborer is a necessity of our times, but it must not be permitted to overleap the bounds of justice and of charity. Here is the danger in our day.

Over against the immense concentration of capital, organized on the scale of a continent, as it has well been said, have arisen labor organizations developed on the same gigantic plans and equally portentous. "It is quite as possible," remarked Dr. Gladden in an address delivered to Protestant theological students, "for labor organizations as for organizations of capital to become 'drunk with power,' and to push their claims and demands beyond all the limits of reason and justice." This is only too true, and we are expressing no antagonism to labor unionism when we earnestly warn it against these dangers.

The principles which must guide trade unionists in the matter of strikes and trade agreements we have already sufficiently explained. A special chapter has been devoted to the sympathetic strike. An additional word must here be said concerning that other weapon at times used by trade unionists, the boycott.

The primary boycott, directed against the offending employer, is not unjust if there is question of a serious injustice against the laborers and no gentler method will prove effective. This is obvious since there is then question of just self-defense. The secondary boycott, which is directed

against an " innocent third party " for refusing to assist the primary boycott, is similar in nature to the sympathetic strike. It is obvious, therefore, that the secondary boycott must in general be considered immoral and can be permitted in extreme cases only. The frequency of abuses in the use of this weapon have induced many to wish for its legal prohibition. It usually, moreover, demands sacrifices from the " innocent third party " which are out of proportion to the claims the boycotters may have to his support. Yet it may be justified where there is question of securing more human conditions for sweated labor. In no boycott may the ordinary signs of charity be discontinued which the law of God requires.

As regards the practice of picketing during strikes, no objection can be taken so long as physical violence is not implied or threatened, and only reasonable methods of moral persuasion are applied. In all these cases abuses, as we all know, have been frequent, and no one should more strongly censure and oppose them than the trade unionists themselves.

We must always remember that in encouraging labor unions Pope Leo XIII had in mind the truly Catholic associations and under no circumstances

Socialistic or radical unions which ignore those sound Christian principles that alone can save society, dignify labor, and glorify God, for whom alone labor and capital and society exist. Listen to Pope Leo's description of the ideal union:

We may lay it down as a general and lasting law that workingmen's associations should be so organized and governed as to furnish the best and most suitable means for attaining what is aimed at, that is to say, for helping each individual member to better his condition to the utmost in body, mind and property. It is clear that they must pay special and chief attention to the duties of religion and morality, and that their internal discipline must be guided very strictly by these weighty considerations; otherwise they would lose wholly their special character and end by becoming little better than those societies which take no account whatever of Religion.

What advantage can it be to a workingman to obtain by means of a society all that he requires and to endanger his soul for lack of spiritual food? "What doth it profit a man if he gain the whole world and suffer the loss of his own soul?" This, as Our Lord teaches, is the mark of character that distinguishes the Christian from the heathen. "After all these things do the heathens seek. . . . Seek ye first the kingdom of God and His justice, and all these things shall be added unto you."

Let our associations, then, look first and before all things to God; let religious instruction have therein the foremost place, each one being carefully taught what is his duty to God, what he has to believe, what to hope for, and how he is to work out his salvation; and let all be warned and strengthened with special care against wrong principles and false teaching. Let the workingman be urged and led to the worship of God, to the earnest practice of religion, and, among other things, to the keeping holy of Sundays and holydays. Let him learn to reverence and love Holy Church, the common Mother of us all; and hence to obey the precepts of the Church and to frequent the Sacraments, since they are the means ordained by God for obtaining

forgiveness of sin and for leading a holy life. ("The Condition of Labor.")

If in some countries such organizations cannot now be established, the non-Catholic unions, according to the spirit of the directions given by Pope Pius X, are at least to be supplemented by special organizations which will afford the laborer all that spiritual guidance, Sacramental strength and religious insight into the social question that may enable him on all occasions to champion the cause of charity and justice and to promote true Christian principles wherever the interests of labor are concerned. Secular unions to which Catholics belong should be preserved by them from all theories and practices in contradiction to the teachings of the Gospel of Christ and of His Holy Church. When the labor unions of a country become Socialistic it is obvious that Catholics must form their own independent labor organizations. Justice, charity and the welfare of immortal souls require this wherever it is possible.

The principle of the Church in her insistence upon the right and utility of labor organizations is daily more fully recognized. The period of individual bargaining is rapidly approaching its end. The *laissez-faire* attitude towards labor

problems, which followed upon the Reformation and was all in favor of the economically stronger employer, is fast passing into the limbo of forgotten things. Catholics will evidently have a most important part to play in the future development of labor organization and cannot prepare themselves for it too faithfully, carefully and conscientiously.

CHAPTER XVII

SOCIAL LEGISLATION

IT'S coming yet, for a' that," Burns sang in a fine elation of triumphant optimism, "That man to man, the warld o'er, shall brothers be for a' that!" To make this possible, religion must doubtless be the prime influence in the lives of men. Without it there can never be any true brotherhood of man. But after religion itself, and prompted and directed by it, the most potent means at our command is intelligent social legislation.

Brotherhood is the thought uppermost in the minds of all today. It has never been fully realized in any epoch of modern history except among the early Christian communities and in certain periods of the Ages of Faith. We cannot hope to restore it again except by the reunion of all men in the one true Fold of Christ. So will all mankind be one in Him. But while our best efforts should be given to bringing about this happy consumma-

tion, we may not pause in our social labors while we are striving to attain that supreme end. The immediate remedy, ready at hand, is social legislation animated by the spirit of Christ and of His Church. For such legislation we shall find the entire world receptive.

No social legislation can ever be final. Economic conditions are in a constant state of fluctuation, and periods of tranquility are followed by renewed contests of conflicting interests. There have been centuries of comparative rest, when social adjustments had been satisfactorily established by law and the status of industry and commerce changed but slightly. Such occurred in the Middle Ages. On the other hand there were critical periods when entire phases of economic life or the entire economic system of nations, or of the civilized world itself, imperatively called for a reconstruction. After a sudden and violent struggle and at the cost of a deluge of blood, or else peacefully and in the silent lapse of years, a new social order rose out of the old. Today the world is apparently entering into another great climacteric. A clear historic retrospect is needed if we would rightly face the possibilities of the future.

The hour of such a change had struck when at

the dawn of modern history, at a time when centralized governments were unknown and industrial life had not yet begun in the renascent civilization, the early European farmers, unable to protect themselves against piratic invasions and in constant danger from marauders, sought shelter under the shadow of some powerful stronghold and rendered personal service in return for their safety. In the same manner their own lords found it necessary to give fealty to still mightier overlords, and thus an organized resistance against all foes and disturbers of the peace was made possible. So the feudal system arose with its undoubted benefits and its obvious evils, yet withal a powerful protection in those days of turbulence and force.

But the time came when the evils of the system began to outweigh its benefits. The villeins fled into the rapidly growing cities and the gilds arose with their high ideals of a free Christian manhood. The hour of a second transformation had struck. Yet at first the complete change became effective in the cities alone. Often the freedom of the craft gilds was won only after periods of violence and bloodshed; in other instances, as in England, a quiet and peaceful development took place. A further crisis, however, was inevitable. It came

with the peasants' war that followed hard upon the awful havoc of the Black Death, comparable only to the world war itself, no less universal and no less terrible in its destruction of human life.

In all the preceding economic crises, which far outweighed in importance the political struggles of kings and nations, social legislation had been the one means, after religion itself, of securing peace and prosperity to all classes. The more perfectly this legislation was adapted to each changing economic period and the more perfectly it applied the unalterable Christian principles of justice and charity, the happier was the entire population.

A new and momentous crisis awaited the world at the very period of the Reformation. It was not in any way connected with the latter, but arose inevitably out of the economic circumstances of the time, the invention of machinery and the immense growth of the city population, not to mention other similar conditions that vitally affected the methods of production, and consequently called for the most sweeping changes in social legislation. The elements for a peaceful readjustment were not wanting and could be found in the existing gilds. But the Reformation rendered this readjustment im-

possible and delayed for almost four centuries the needed social legislation which might at once have obviated all the social misery and economic chaos that was to follow. Nothing indeed could have been more foreign to the gild principles than " The concentration of so many branches of trade in the hands of a few individuals," as Pope Leo XIII described the economic situation which resulted, " so that a small number of very rich men have been able to lay upon the masses of the poor a yoke little better than slavery itself."

This four-century-long retardation and retrogression of social legislation, this casting-back of the masses into a new state of industrial serfdom far worse than the old from which they had been freed, this degradation of labor from the exalted dignity to which it had attained in the ages of Catholic Faith, was due, as we have previously said, to the false individualism which came as a consequence of the Reformation. Directly it was brought about by the paralysis inflicted upon the gilds.

Robbed by the " reformed " autocracies of the time, that found in Protestantism a most advantageous economic ally, the gilds were not merely deprived of those immense possessions, which,

though consecrated to religion, had been in great part devoted to charity, but they were above all things debarred from the religious influences that had been the mainspring of their enlightened social legislation. Thus, in England, they became little more than convenient spoils for king, queen, or court favorites. Highly approved methods were invented of turning their revenues into sources of private emolument for these exalted patrons. Hence the impossibility of meeting the new social conditions by fitting social legislation and adapting to new economic developments the old principles of religion, brotherhood and cooperation. The powers of economic legislation were retained exclusively in the hands of the rich, who used them for their own purposes of exploitation.

The fact is that today we are taking up the thread of social legislation precisely where it was broken off at the Reformation. We are seeking to apply to the changed conditions of our time the principles of brotherhood and cooperation which the Church applied in her gilds 400 years ago, and which have been ignored during the intervening period in our dominant economic system of industry and commerce. But how shall this be done without the aid of the Church?

The danger of radicalism, never greater than in periods like the present, can be met in no other way than by constructive legislative action. It is a folly to imagine that it can be destroyed by legal repression. Remove the crime of profiteering and the edge is taken from anarchism. The cure must begin with attacking the source of the evil. In the same way Socialism cannot be fought intelligently by directly assailing its principles and ignoring the corresponding ethical unsoundness of the capitalistic system. Both extremes are equally reprehensible and perilous. Both are equally opposed to all true rights of property and individual liberty. In adhering rigidly to our Catholic principles, in preventing by sound legislation the future concentration of wealth in the hands of a few, in promoting anew our ideals of cooperation and of the widest possible diffusion of ownership among the many, we shall not merely follow our Catholic pre-Reformation traditions, but we shall find ourselves in agreement with the ablest minds of our day. More than all this, we shall be in advance of our own age, the heralds of a new era of social justice through Christian legislation.

History has taught us her lesson. If the world is indeed entering into a period of great economic

changes, as all admit, it is important that we ourselves direct these changes along peaceful lines and towards Christian ideals. It is not an optional task, but a duty which confronts the Church. Thus shall we be able to preserve the world from the bloody cataclysms of the past which have so frequently preceded the epochs of economic transitions.

No mere surface legislation will suffice today. We must strike boldly at the very root of economic evils. Why attempt merely to lop off the hydra-heads of innumerable secondary evils instead of reaching the very heart of the social injustice? We do not want a multiplicity of laws that defeat their own purpose, but measures of such far-reaching and vital importance as the legal minimum wage.

Without a sufficient wage for the reasonable support of the laborer's family, it is inevitable that wife and children will be driven from the home into the factory. The consequence is a further depression of wages and frequent unemployment owing to the unnecessary competition of women and children with men. Hence, as a further consequence, there follows the need of endless protective legislation for women workers who under

such conditions are underpaid and overworked, of countless child-labor laws, delinquency laws and provisions for defectives, since at their very birth the little ones have often been blighted and stunted. Hence the record of criminality and the strength of the rising tide of anarchy, the increased danger of birth-control and the excessive infant-mortality rate. Irreligion, too, plays its part in these evils; but irreligion itself is in great part fostered by the absence of the mother from the home and the want of a fitting home itself.

From the lack of a living wage follows in the next place the need of State support for social insurance of every kind. Thus the workingman becomes a ward of the State, though his contributions of honest labor to the social welfare entitle him to an honorable independence. Obligatory social insurance will indeed remain a wise provision under any system of social laws, but with a living wage the laborer will be able to pay in full his own rate, thus preserving his self-respect and not transferring to the State the expenses saved to the employer. These problems have already been alluded to in the chapter on "The State and Labor." So far as State help is at any time required it must obviously be given.

In a discussion of social legislation we may not pass over the question of social insurance here touched upon. It is one of the problems that is most actively debated. Social insurance legislation has been proposed as a provision against sickness, old age, unemployment, invalidity and accident on the part of the laborer. Few apparently understand the real principles on which such legislation rests. In general it may be regarded as merely a substitute for an adequate wage. Hence it would seem to follow that in strict justice the burden of such taxation, in so far as the laborers themselves cannot reasonably be expected to bear it, should fall upon the delinquent employers in proportion as they are neglecting to pay a proper wage. In practice however such a fair distribution of taxation is impossible. Hence we find State, laborers, and employers all sharing at times in bearing the common burden of social insurance.

The difficulty of an equitable adjustment is obvious so long as a living wage is not paid to every worker. Such a wage would include a sufficient sum enabling the laborer himself to make due provision for future emergencies and to pay in its entirety the full assessment of whatever social taxation might still be deemed necessary. To

render the payment of such a wage normally possible for every employer the articles manufactured must necessarily be sold at a price that will enable the employer to meet any added expenditure, and at the same time yield him a sufficient though moderate margin of profit after paying a living wage.

In a word, no satisfactory solution can be found for the problem until prices, profits, and wages are kept within the limits of a reasonable minimum on the one side and a reasonable maximum on the other, excluding alike all oppression and excessive gains. So alone can the welfare of every class of citizens be duly consulted: of the consumer, the laborer and the employer. This, we admit, is not possible without a certain measure of State control. But public control for all these purposes is in full accord with our Catholic traditions.

In the meantime social students must be warned, under present conditions, not to place too much confidence in the existing methods of State insurance for labor emergencies. They should regard them as a mere makeshift, a transitional stage towards an adequate wage which will free the laborer from undue State dependence.

The latest revelation in regard to Germany's

social policies may serve as a lesson, not indeed to destroy interest in social insurance, but to instil prudence. Germany's compulsory sickness and workingmen's accident insurance began in 1883, and her invalidity and old-age insurance in 1889. Yet we are now told that in 1913, after about a quarter of a century of this régime, Dr. Frederic Zahn, of Munich, reported at a hygienic congress that the number of paupers, or persons drawing from the public relief fund, had steadily grown. In Berlin alone it had increased from 31,358 in 1891 to 55,601 in 1909. Pauper burials were of frequent occurrence. Similar conditions are recorded for other German cities, though Government statistics were not drawn up or were advisedly kept secret. The first reason for its insufficiency was the small pittance it allowed the laborer. At all events social insurance neither stemmed the tide of discontent, as the enormous Socialist vote indicated, nor did it serve to prevent that worst of economic evils, pauperism, which first appeared with the Reformation and was its direct consequence. We doubt whether a larger insurance would have solved the difficulty. It might readily have created new ones. The lesson is that social insurance is indeed to be heartily

promoted so far as may seem desirable, but must not be permitted to take the place of a living wage.

Separate consideration must be given to workmen's compensation laws. No later than 1913 a joint commission, appointed by the Civic Federation for the study of such laws in the various States of the Union, thus reported its general satisfaction at their successful operation:

> The litigation between employer and employee arising out of personal injuries has practically ceased to exist in most of the States which have enacted compensation laws. The objections raised by either side prior to the enactment of compensation acts have been mostly removed by experience under the acts. The principle of compensation is now thoroughly established; the only problems for the future relate to the nature of the legislation and the methods of administration.

The principle in question, as conceived in modern legislation, is that the economic cost of accidents should be considered a part of the necessary expense of production. While the suffering must be borne by the injured workman, and a certain expense is entailed upon the employer, the general burden will be divided among the consumers of the article whose production necessarily implies a constant risk of accidents. "No justification," says Father Cathrein, S.J., "can be urged for

placing the burden of insurance upon the tax-payers, except in so far as an important branch of industry would not be able to raise the required insurance money without incurring destruction." ("Moralphilosophie," II, art. IX.) It is here presumed that all due precautions against accidents have been taken by the employer.

Another legal measure upon which special insistence is to be placed, though only indirectly connected with the subject of this volume, is the Mothers' Pension law, which will enable children to be nurtured and reared in their own home and by the mother to whom God has given them in place of being committed to institutional care. In the acceptance of the principle underlying this law we behold another victory of the ideals that have ever been promoted by the Church, however much they may for a time have run counter to modern "enlightenment." There is no social principle of the Church which is not today finding approval in the most progressive circles of genuinely scientific thought.

Careful consideration is likewise to be given to the question of prison labor. It is recommended by trade unionists that every prisoner should be taught a useful trade, so that on his restoration to

liberty he may become a useful member of society. Trade unionists in the United States further oppose the contract labor system and recommend the New York system, which calls for use by the State of prison-made articles, as the best that has yet been devised. The system of leasing convicts to contractors is thus attacked in the Chattanooga *Central Labor Journal:*

> The convict lease system is proven by legislative investigation to be guilty of the following civic crimes: Inhumane treatment of the convicts themselves; deprivation of their families of the support they are entitled to; encouragement and breeding of tuberculosis from close confinement; illegitimate interference with manufacture and industry of the state; unfair treatment of laboring people of the state by the introduction of cheap prison labor in competition with them; depriving the farmers and others of a good public road system by failure to employ the convicts in this connection.

Means should be devised, in particular, to prevent the destitution and untold misery that often fall upon the innocent family, whose bread-winner is under prison sentence. Special attention, therefore, deserves to be given to the above clause which accuses the convict leases of depriving families of the support of which they may perhaps stand in the bitterest need. An intelligent prison labor system will enable the dependents to live upon the prison earnings of the man who can no

longer provide for them in any other way. It may likewise enable him to lay aside something for his future rehabilitation.

Other legislation of a fundamental nature has already been touched upon in previous chapters, such as the discussion ending the chapter on "Monopolistic Prices."

In the solution of all these problems the clear teaching of the Church is imperatively needed, and nothing in the whole range of social science will prove so thoroughly satisfactory as that teaching itself. It would be a fatality as well as a folly for Catholics to overlook their immense responsibilities of bringing that teaching before the world at this critical period of history, when civilization is in many ways being shaped anew. Shall we leave its fate to the destructive forces of social revolution, or shall we provide that it is wisely fashioned by the loving hands of Christ?

CHAPTER XVIII

DEMOCRATIC CONTROL OF INDUSTRIES

THE dominance of wealth, or the particular capitalistic régime under which the great masses of the people are possessed of little but their labor power, while the ownership of the instruments of production is concentrated in the hands of a few powerful employers, is known as the "Servile State." There can be no industrial peace where such conditions exist, no matter how wages may increase and hours of labor be shortened. Democratic forms of government are in themselves no solution.

"While the Constitution had increasingly taken on democratic forms," wrote Cardinal Bourne in reference to England, "the reality underlying these forms had been increasingly plutocratic. Legislation under the guise of 'social reform' tended to mark off all wage-earners as a definitely servile class." Against such conditions a violent reaction had already set in before the Great War.

In defining the Catholic attitude towards the democratic control of industry it is necessary to distinguish between the different kinds of productive property. It is the great mistake of syndicalism, Socialism, and similar panaceas that they entirely overlook the intricate complexity of the modern social problem. Remedies warranted to cure all evils must, to say the least, be looked upon with great suspicion. Yet it is true likewise that the very optimism with which they are advertised unfortunately obtains for them both credence and a trial.

The first class of productive property to which a form of public ownership may be applied are obviously our public service utilities. There can be no objection, from a Catholic point of view, to a transition in these instances from private to municipal or national ownership, provided always it is really necessary for the common good and that a proper compensation is offered to previous owners. In regard to these enterprises experience has shown that public ownership has in certain conditions and places been of no slight advantage, while in other instances it has no less plainly proved disastrous in a financial way. Whatever method is demanded for the common

good should be boldly favored by every Catholic. But the greatest caution is needed here.

The same rule applies to natural monopolies. They may be either publicly or privately owned and managed accordingly as the general welfare may require in any given case. No private owner of public service utilities or of natural monopolies has any reason for complaint if, after due compensation has been made to him, his business is absorbed by the city or State. Obviously, however, the sole consideration that may influence the public authorities in taking such action is the reasonable conviction that it is necessary for the common good. The same principles apply to other agencies of production where public interest demands a public ownership. This, of course, is only a last resort when other means fail.

But in all such transference of properties the greatest circumspection must be used. Full account is to be taken of the undeniable fact that public management implies increased expenditure, aside from the advantages that may come with increased centralization. Under equal conditions private owners can obtain far greater results at less cost than will ever be possible under public ownership. Yet in spite of this fact the elimina-

tion of the enormous profits that frequently are reaped at the public expense by private capitalists may still at times leave a substantial gain for the people.

Another difficulty which suggests itself here is the power given to politicians who may prove no less unscrupulous than the criminal profiteers. The question therefore to be carefully pondered in each single instance is whether a strict and thorough Government control may not be more advantageous than public ownership. The former, it would appear, should at all events be tried before any step is taken toward nationalization. In the latter instance we must consider likewise the difficulty of ejecting from power a political party that can count on the support of so large an army of office-holders.

The farther an industry is removed from the nature of a public service utility or a natural monopoly, the greater is the presumption in favor of private ownership as the method most conducive to the common good, until finally we arrive at forms of industry where individual enterprise is absolutely essential for success. In the same manner Government control and supervision, where public ownership is not required, will be in pro-

portion either to the nearness of an industry, in its nature, to a public service utility or its remoteness from that utility. Says the Rev. Herbert Lucas, S. J., in the *Month:*

> In the case of those industries which have not this character [of public service utilities] it should be sufficient to protect the wage-earner and the consumer from exploitation by means of a graduated tax on the profit of large-scale concerns; so that the fullest measure of liberty may be left to those which, to the general benefit of the public, are winning for themselves a moderate prosperity under the stimulus of private enterprise. (*March,* 1918.)

The question of labor's participation in industrial management will be considered in the author's subsequent volume on "Democratic Industry." [1]

A word should be said here of "National Gilds," often spoken of as "Gild Socialism."

> A national gild is a combination of all labor of every kind, administrative, executive, productive, in any particular industry. It includes those who work with their brains and those who contribute labor power. Administrators, skilled and unskilled labor — every one who can work — are all entitled to membership.— S. G. Hobson.

If based upon an enforced collectivist or Socialist system, this plan would obviously meet, in its own degree, with the strictures passed upon So-

[1] See appendix of the present volume for American Bishops' labor program on this subject.

cialism. No objection could be urged against it if voluntary, in the sense of Bishop Ketteler's free communistic brotherhoods; or if cooperative, in the sense that the productive property thus operated and managed would be owned individually and not merely collectively by the workers. Government ownership of particular industries, with industrial control, wholly or in part, by the employees, can be justified if due compensation is made to previous owners and the public good really demands it. The latter is the point at issue.

There is one form of public ownership, however, against which all must combine, although a wide agitation is at present carried on in its favor, and that is the universal nationalization of the land. There could be no more terrible error. If there is one thing certain in the entire range of economic science it is that the land should, so far as possible, be owned by the men who cultivate it, and not by a Socialist cooperative commonwealth, a State monopoly, or any other form of Government absolutism. It is this one instance which Pope Leo XIII particularly selected to urge the widest reasonable distribution of private ownership among the people. It would be an injustice and a crime to alienate for public ownership the

land that is tilled by the calloused hands and moistened by the sweat of the farmer. Let voluntary cooperation produce the utmost results, but let us not yield to the lure of land-nationalization. Pope Leo thus states the Single-Tax fallacy:

> We are told that it is right for private persons to have the use of the soil and the fruit of the land, but that it is unjust for any one to possess, as owner, either the land on which he has built or the estate which he has cultivated.

To absorb the rental value of the land is equivalent to denying the right of ownership.

> Those who assert this do not perceive that they are robbing man of what his own labor has produced. For the soil which is tilled and cultivated with toil and skill utterly changes its condition: it was wild before, it is now fruitful; it was barren, and now it brings forth in abundance. That which has thus altered and improved it becomes so truly part of itself as to be in great measure indistinguishable and inseparable from it. Is it just that the fruit of a man's sweat and labor should be enjoyed by another? As effects follow their cause, so it is just and right that the results of labor should belong to him who has labored. ("The Condition of Labor.")

The "unearned increment" is not confined to the land. Abuses connected with it must be remedied by more discriminating methods. Just taxation is not "single" but various.

Socialism proceeds still further in its demand for the public ownership and management of the means of production. But while attempting to

vest this, in a vague manner, in the entire commonwealth it fails even more egregiously than capitalism had done in answering man's natural desire for private ownership. While public ownership of public utilities or of certain natural monopolies may, under given circumstances, be deemed desirable, yet the great bulk of the productive property within a nation can best be privately owned for the reasons we have already indicated. The main problem is to ascertain how this private ownership can be most widely distributed among the people.

The consciousness on the part of the laborer, under Socialism, that his means of livelihood would belong to everybody in common could neither satisfy his instinct for ownership nor stimulate his energy. Production would lag and its cost would rise. All avenues towards economic betterment would be closed to him, for strikes would be labor mutiny. Hence revolution and counter-revolution would be the monotonous history until the last state would be far worse than the first. Socialism would not bring democratic, but bureaucratic control of industry.

There is doubtless a great truth in the Socialist contention that wastage both in production and

distribution can be prevented by centralization. Of this full account is taken in the Catholic acceptance of Government ownership or Government control wherever it can serve the common good. Yet it is equally true that there can as readily be an over-centralization which will not merely interfere with private rights and individual liberty, but which will lead to confusion, to bureaucratic tyranny and the deadly retardation of production even in the most essential necessities of life.

The Church fully perceives the elemental truths contained in Socialism, but they are merely her own Catholic principles seen through the distorted Marxian lens. Whatever is best and most truly progressive in modern social doctrines was put into practice by her more than five centuries ago, and it is amusing, if not irritating, for Catholic sociologists to hear these commonplaces of Catholic tradition proclaimed as modern discoveries.

But public ownership is not the only means, as many wrongly imagine, of attaining to a just democratic control of industry. It is largely in the field of cooperation that this is to be achieved. Between public service utilities or such great monopolies as closely approximate to them, and

industrial undertakings which of their very nature call for individual management as the essential factor of success, there lies a wide and almost interminable province of cooperative enterprise. Of this we shall treat more fully in the following chapter.

Reference may here be made to Mr. Penty's theory which would bring about democratic control of industry through "production for quality." This would restore the handicrafts, so far as possible. The worker, to-day, is too frequently the mere slave of the machine and has lost all that joy in labor which comes from the artistic production of a complete article. The ideal contemplates a renewal of the medieval gilds. Surplus wealth would be expended, now as then, in noble works of architecture and art, instead of being sunk into the manufacture of articles beyond demand, with the consequent unemployment and human misery.

The idea is beautiful and we could wish it to come true. It must be tested by the principles applied above to Gild Socialism. Mr. Penty's theory culminates in Local Gilds.

CHAPTER XIX

METHODS OF COOPERATION

DURING the packers' wage-arbitration dispute in Chicago, in 1918, some interesting revelations were made. The head of one of the firms admitted that the net profits of his business for the year 1916 had been $20,000,000. At the same time it was announced by the counsel for the trade unions that the 20,000 employees of that same firm were together receiving only $13,400,000, or not nearly two-thirds the amount absorbed by a comparatively small number of stockholders. Commenting editorially upon the testimony in this case the New York *Evening Mail* wrote:

> Mr. Nelson Morris, twenty-six years old, endowed with a salary of $75,000 a year, admited that neither he nor Mr. Ferris, who determined employees' wages, ever visited their homes. Mr. Morris said he had never looked over a budget showing the cost of living for a laboring man with a family. The plain truth is that this newer generation of industrial lords grew up in luxury, apart from the toilers who earn their profits for them. To them the workers are like machinery, to be bought at the cheapest price attainable, to be run at the highest possible speed

the longest number of hours, to be scrapped when worn out and replaced by new.

We are fully aware that this does not represent the attitude of all employers. Yet it gives a truthful picture of the results that followed on the dissociation of religion from industry in the post-Reformation capitalism. Cannot a more equitable plan be devised? The possibilities of public ownership within certain limits, and the necessity of Government regulation or supervision in other instances, has been treated in the previous chapter. There still remains the most important of all means to be considered, the system of Cooperation.

Few realize the extent to which this "medieval" plan of economics had again been adopted before the outbreak of the war, and the success with which it met in many various fields. Surveying the work already accomplished by it, we can readily understand the possibilities this system would offer with the restoration of the Catholic Faith throughout the world. Nowhere are we approaching more closely to the expression of Catholic economic thought. Our just regard for the dignity of human beings, our preference of the common good to private interests, our insistence

upon Government control and oversight of industry to whatever extent it may be required for the welfare of the people, our countless cooperative societies already bursting into full blossom in every land, and withal the universal aspiration for the brotherhood of all mankind — what are all these signs of our time, when taken at their best, other than Catholic revivals? There is need now of that Faith only which first gave substance to these conceptions and popular movements and which can bestow on them the fulness of a Christian life. Without this Faith the new social tendencies can never reach their coveted perfection. They may even degenerate into wrongful and dangerous developments.

To begin with, the system of cooperative banking has struck deep root and will continue in its prosperous development. Every one is familiar with the success of the Raiffeisen credit associations. These or similar systems of cooperative banking had been established in practically every European country before the war. The main incentive and purpose in founding them was to enable the poorer classes, particularly upon the land, to obtain the credit which the commercial banks refused them and to escape the merciless system

of usury to which they were in consequence exposed. Such cooperative credit associations, formed among the people, exercised moreover the best of moral influences, and taught them thrift and self-respect.

In very many instances these cooperative societies were established by the parish priests. According to the account given by Father Joseph P. Archambault, S.J., in his work "Le Clergé et l'Action sociale," the first popular bank in Italy was founded by a Paduan Jew. The curé of Gombarare soon realized its possibilities if conducted on a purely Catholic basis, excluding all idea of commercialism. The success of the plan is obvious from the following figures, taken from the *Civiltà Cattolica.* (Vol. XII, p. 671.) We there find that between the years 1883 and 1892 the enterprising Jew had established seventy-two banks. But about this time the work of the curé of Gombarare began to attract the attention of his fellow priests. The success of his cooperative venture at once called forth a host of imitators. The consequence was that in 1893 the Jew founded three and in 1894 only two banks, while the Catholics during the same years established respectively 29 and 105 of their own banks. Raiffeisen him-

self thus beautifully explains the nature and purpose of the cooperative credit system:

A loaning and savings bank should in a manner constitute a single family, a brotherhood where the weak are supported and borne along by their fellows, where the associates do not wait until the members, one after another, fall into actual distress, but where of their own accord they seek out those who stand in need of assistance, bringing them friendly aid, saving them from ruin, doing everything for the good of each individual and the good of the entire community. The work is carried on for the love of God. ("Le Clergé et l'Action sociale," *pp.* 80, 81.)

Almost equally successful, in many places, have been the cooperative stores. It is estimated variously that between one-third and one-fourth of the entire population of Great Britain had already participated in these enterprises before the outbreak of the war. The total cooperative sales in that country for the year 1913 considerably exceeded $600,000,000 and there were thousands of cooperative stores in Great Britain alone. The same system had likewise developed in Ireland. Describing the nature of these stores in the *Irish Monthly* Cruise O'Brien writes:

Here you have an association of persons who band themselves together to run a retail store for their own benefit. The first thing to be noted about their constitution is, that their membership is open to all, and accordingly their share lists cannot be closed. Here is one difference from a joint stock enterprise, in which the share list is closed when sufficient capital has been obtained in order that the existing shareholder may obtain the

best possible amount of profit. Again, the members of the store propose to make savings and not profits — that is to say, they do not want to sell to those who are not members in order to obtain a profit on their trade, but they want non-members to become members in order that all may save on the economy which arises from collective buying and from the elimination of the profits which the retailer takes as his reward for distribution of goods.

We are at once reminded of the wise restrictions of the medieval gilds by the further regulation which forbade any person to have more than £200 worth of capital invested. But the perfection of the fraternal spirit was further exemplified in the modern European system of cooperative stores by the rule which conceded but one vote to each shareholder, whether he possessed fifty shares or one only. Thus the poor man could exercise the same right and power in controlling the interests of the business as his more well-to-do neighbor. We are here approaching to an ideal understanding of what may be accomplished by voluntary agreement toward attaining to a "Democratic control of industry." So too the interest of the share capital itself is limited to a sum not exceeding five per cent. so that the societies, whose purpose is to effect cheap purchases, may not be perverted into profit-making schemes. Another wise regulation: "The division of the

savings," we are further told, "is in proportion to the amount of purchases made by each member, and it is a part of the cooperative creed that some portion of the savings should be shared in by the society's employees." To stimulate thrift and self-reliance the purchases can be made in cash only.

We may well rub our eyes and wonder whether this is England and Ireland of the twentieth century, or England and Ireland of the thirteenth, fourteenth, and fifteenth centuries. It is the spirit of brotherhood returned to earth; it is the wearing-away of the iron bonds of the Reformation; it is true appreciation of the worth of a man above the worth of his wealth; it is the supreme ideal of each for all and all for each; it is the first premonition of the passing-away of a system which made of profits the end of man, and man the slave of profits. It is Catholicism resurgent in economic life. Yet the work of restoring an order of society in which capital and labor shall meet on a more equitable footing, and the benefits of private ownership shall be more widely shared by the people, has only begun. The great task lies before us. But there are other and still more important developments of the cooperative system to

be considered. With these we shall deal in the following chapter.

A word should here be said about the system of profit sharing. To make this method truly cooperative the worker must be admitted not merely to a share in the profits, but likewise to a share in the management of the business. This stage has actually been reached in not a few instances.

The usual form of profit-sharing in the United States has consisted in simply dividing among the employees a certain percentage of the general or total profits of an establishment, in proportion to their wages; or else separate departments only of a business have declared an extra wage or share of profits to their employees. In some instances, however, a share in the management was likewise conceded at least to the reliable employees. This is ordinarily done through a distribution of the voting stock as part or the whole of the profits that are shared, and constitutes a form of genuine cooperation.

When honestly purposed and conducted, profit-sharing is doubtless of advantage to the employee, since under such conditions it supposes that a fair wage is already being paid. Under no conditions should it be permitted to take the place of a living

wage. The same is to be said of the bonus plan, in which the excess wage has no direct relation to the profits of the company and the latter enters into no engagement to pay it regularly. All these methods are apt to be looked upon with suspicion by labor when it fears that they are merely used as a means to prevent a raise in wages.

The ends sought by the employers themselves can be briefly summarized from the volume on "Profit-Sharing," composed by three manufacturers and two university professors who made an extensive study of this subject in the United States in 1915. It promotes a prevention of waste, an increase in personal effort and therefore in general efficiency, a more reliable labor stability, a greater assurance of industrial peace, the furtherance of effective management, and the improvement of the spirit of cooperation. In the past the application of the system in the United States has usually been confined to skilled labor or even merely to office employees. The more closely profit-sharing approaches to genuine cooperation the more heartily will it be welcomed. No one will deny that it has often been well-intentioned. In itself it cannot, of course, be considered as an adequate solution of the industrial problem.

CHAPTER XX

POSSIBILITIES OF COOPERATION

THE cooperative bank and the cooperative store have met with undeniable success. They have long ago passed the period of trial and experiment and fully answer the purpose for which they were established. The question of main importance is the extension of the cooperative principle to the field of production. Its most complex and difficult application is found in the cooperative ownership and management of industrial enterprises.

The cooperation here considered is entirely voluntary, and neither communistic nor Socialistic, since it is based upon the private and not upon the public ownership of the instruments of production. They are to belong to the men who operate them according to the individual shares that each one possesses in the cooperative enterprise. To prevent deterioration into the old abuses of capitalism

the number of shares that could be held by any individual would obviously be strictly limited, so that ownership of the means of production could not again be absorbed by a few more powerful, more clever or more unscrupulous members. The old gildsmen wisely understood that it is by such means only that the greatest happiness and prosperity of the greatest number can be assured and social stability and contentment secured.

In opposing the private ownership of capital, such as would likewise be maintained here by the workingmen, Socialists often refer to the communism of the early Christian Church. They fail to mention that this was not universal, but purely local; that no mention is made of communistic productive enterprises operated by the early Christians; that even in the localities where a form of Christian communism doubtless existed it was purely voluntary and obliged no one to participate in it as a condition for embracing Christianity; and finally that after all it proved to be an economic failure, like practically all other communistic or Socialistic enterprises. The only notable exception has been the communism of the Religious Orders of the Church. The latter is possible because it is based upon the threefold vows of pov-

erty, chastity and obedience, and is centered in the love of God.

That productive cooperation in itself is not impracticable must be manifest to all from its successful application upon the land, where both production and distribution are frequently managed cooperatively. Thus in the Netherlands alone 66,600,000 pounds of butter were produced by cooperatives in 1910, and only 27,500,000 pounds by private manufacturies. Many other products are cooperatively prepared on the land for general marketing, as varied in their nature as cheese, bacon and wine. Both purchasing and selling are done cooperatively, to the exclusion of the middleman and the great gain of the farmer. Similarly the larger and more intricate machinery is cooperatively owned. In Italy Catholic cooperative societies have rented the land itself. "Often machinery, oxen and utensils are owned in common," writes Borosini. "The harvest is frequently sold in advance to cooperative societies in the neighboring town." The cooperatives in these instances are jointly responsible for the rent and the necessary assurance is given the landowners by financially well-established Catholic organizations. It may surprise many to learn that the products co-

operatively bought and sold by the American farmers themselves, as early as 1915, amounted to $1,400,000,000 for that year.

To illustrate the democratic, or better still, the Christian ideal that can be attained under cooperation we shall quote again from the article on "The Meaning of Cooperation" by Cruise O'Brien in the *Irish Monthly* for November, 1917. He is describing the cooperative creamery whose members united to own the means of turning the milk produce of their farms into butter, and of marketing it to the best advantage:

> Here [as in the cooperative store] we have the same rule as to open membership, although it would be much more profitable for the members of a creamery to close their share list when they were strong enough; and although, indeed, it often involves a certain sacrifice on their part to keep their membership open to newcomers at a time when the original members have borne the heat and burden of the day. Here, also, we have a rule limiting the amount of shares which the member may hold and limiting the interest which he may receive on his share capital.
>
> Each member is paid for his milk at regular intervals — usually each month — and is given, to begin with, a price less than the value it will ultimately fetch as a manufactured article. The difference in value is made up at the end of the year, and represents what is called a dividend, as in the case of the cooperative store, but what is really the deferred payment, just as in the cooperative store the so-called dividend is really a saving.
>
> Finally, the cooperatively organized producer in his creamery provides for a bonus to his employees, just as the cooperatively organized consumer in his store.

As outlined here the system of cooperation contains all the idealism of brotherhood. Like all things human it will doubtless have its weaknesses and its faults, yet it approximates most closely to the Christian spirit.

But we now come to the most crucial question of all. Granting that cooperation is practical in other fields, can the same be said of the cooperative ownership of industries in our cities? The difficulty can best be stated in the words of Dr. Ryan where he speakes of the "perfect" form of productive cooperation, the only one considered here. He defines it as that form in which "all the workers engaged in a concern own all the share capital, control the entire management, and receive the whole of the wages, profits and interest." Writing of conditions as they existed before the war, he says:

> In this field the failures have been much more numerous and conspicuous than the successes. Godin's stove works at Guise, France, is the only important enterprise of this kind that is now in existence. Great Britain has several establishments in which the workers own a large part of the capital, but apparently none in which they are the sole proprietors and managers. The "labor societies" of Italy, consisting mostly of diggers, masons and bricklayers, cooperatively enter into contracts for the performance of public works, and share in the profits of the undertaking in addition to their wages; but the only capital that they provide consists of comparatively simple and inexpensive tools.

The raw material and other capital is furnished by the public authority which gives the contract. ("Distributive Justice," *p.* 223.)

Yet, as Dr. Ryan is ready to admit, the obstacles in the way of industrial cooperation, such as the risks to be encountered and the need of considerable capital and directive ability, are not insuperable. What has been accomplished upon the land may gradually likewise be widely accomplished in the city, although the difficulties will often be considerably greater. The practical workings of such a cooperative enterprise are thus described by Cruise O'Brien:

A number of people, who are, say, bootmakers by trade, form themselves into a cooperative society in order to carry on their work. The people who actually make the boots are the owners of the society. They elect their committee from among themselves; they provide capital, and instead of, as one might expect, taking all the profits for themselves, they divide the profits between labor, capital and purchasers. Their other rules have exactly the same features as we have noted in the other two types of society which we have touched on (i.e. the cooperative store and the cooperative creamery).

The difficulties in the way of cooperative production are in the first place the large sums of capital required in many instances. Yet we know that billions of dollars have actually been handled annually in the cooperative banks of a single country. Thus the Schulze-Delitzsch pop-

ular urban banks had 939 banks affiliated to their national federation, and there were ninety-six non-affiliated banks. According to a pamphlet issued by the International Institute of Agriculture at Rome, the business transacted by these cooperative banks in Germany during 1910 amounted to no less than $3,231,801,035. Yet besides these banks there existed the rural cooperative Raiffeisen system. The management of the former banks was conducted along strict business lines. Though the immense sums referred to did not pass through any single hand, yet the existence of the National Federation shows a completely developed organization.

The second difficulty is that of cooperative management. Here again we have the example of the Cooperative Wholesale Society of Manchester whose sales per year had risen to $150,000,000 before the war, and was increasing at the rate of $5,000,000 annually. Few mercantile establishments in the entire world have ever done so large a business. Yet the society never borrowed and had money to loan. The wholesale society was made up of membership from the retail societies in a definite proportion, and the latter apparently took out one five dollar share for

each member. In reference to the management, it will be well to quote the report regarding it drawn up some years ago by the United Mine Workers of America:

> The business of the wholesale cooperative societies is managed by thirty-two directors, elected by the local societies. These directors give their entire time, at a salary of $1,750 per annum. It is almost unthinkable for the average American business man to consider a proposition of this kind: thirty-two men, coming up from the ranks of ordinary consumers, by popular election, conducting an enormous business more economically than the large establishments of trade in England, and giving their best efforts entirely for the motive of rendering good service and securing a comfortable salary, with the honor that goes with a public service efficiently performed. We should judge from what we learn that these directors are more devoted to their business than the ordinary business man. Their efficiency cannot be challenged.

Here then are some interesting facts. With all this said, however, we cannot fail to realize the vast difference between these enterprises, which are creditors' and consumers' plants, and cooperative production as exemplified in the self-governing work-shop. Even under cooperation it is more than possible that one class of workers may oppress and exploit another if religious principles are set aside.

Yet one point must be borne in mind: that cooperative production, though presenting many difficulties into which we cannot enter here and

which have long prevented it from attaining to undoubted success like other cooperative enterprises, may in the future be carried on more auspiciously under Government aid and oversight, so far as this may be required. A true religious spirit, such as the Catholic Church could infuse into the entire movement, would certainly lead to success. Progressive taxation of incomes, limitation in the future purchasing of shares, definite regulations regarding the shares of those who no longer are actively engaged in their respective industries, stability of prices to prevent the evils of excessive competition, and other similar methods, might yet make of cooperation a system which may become a leading factor in social reconstruction. In all probability it will coexist with other forms of ownership, both private and public, and a more perfect Government regulation.

Cooperative production differs essentially from Socialism in every regard. It is based upon the private ownership of capital by all the workers, in place of depriving them all alike of this benefit. It is purely constructive in its nature while Socialism is mainly destructive and revolutionary. It is not dependent on confiscation, on political

machination or even upon the ballot, but must obtain its recognition solely through superior efficiency and the rightful Government protection. Where the Socialist promises, the cooperator acts.

Cooperative production differs likewise from Syndicalism. The latter indeed has caught something of the Catholic gild idea, but, left without religious influence, it has failed to recognize the two most fundamental principles of social life, authority and justice, without which no State can flourish. It would constitute the syndicates, or labor groups of each industry, the exclusive owners and managers of the enterprises operated by them. But the manner in which it would bring about its purpose implies both the destruction of State authority and the abolition of the rights of private owners. The syndicalist idea found its first expression in the United States in the organization of the Industrial Workers of the World, the notorious I. W. W. In England and Ireland it was introduced under its original name.

Had the Medieval Gilds been preserved from the robbery and destruction of their rights and maintained their high religious ideals unimpaired, they might readily have been transformed into

successful cooperative industrial societies. So the world would have been saved the unspeakable misery and oppression that followed upon the ill-advised Reformation. There was no need of a change of Catholic doctrine, which was Christianity pure and simple, but a need of living up to it more perfectly. The time has come when the principles of these gilds must be applied anew, in the most wise and just way possible, to our present economic conditions. Yet this high ideal will be impossible of realization unless we restore religion as the unifying and guiding principle of our economic life.

The democratic control of industry, if ever it is to be an accomplished fact and a lasting institution, must be based upon the foundation of Catholic principles. It will consist in the public ownership of such utilities as may call for municipal or national management, in the careful and scientific regulation of others, in the development of cooperative societies which will most probably flourish side by side with private industries, and in the creation of a healthy middle class which will again be the strength and stability of the social order. It will not deny a difference of

classes, arising out of the inequalities of nature and the need of established authority, but will seek to harmonize all interests with the common good.

CHAPTER XXI

THE STATE AND PROPERTY

THE question of ownership is obviously the most fundamental of our economic problems. Directly or indirectly it affects every human being. Hence the far-reaching consequences of false popular theories in this regard. The definition itself of ownership is sufficiently clear. It implies the full right of disposing of an object, in so far as the law permits. The right of property is described by Blackstone as "The free use, enjoyment and disposal of all acquisitions, without any control or diminution, save only by the laws of the land." When justice and charity have been considered, as religion demands, there is but one other factor that can limit a man's free use and disposal of his own possessions, and that is the power of the State.

Yet this fact does not imply any rights of ownership on the part of the State over the private property of individuals, families, organizations or so-

cieties. The false doctrine that all ownership is due to the law of the State, and therefore can be annulled or changed at the pleasure of the State, or by a majority of voters at the ballot box, became a favorite principle of Socialism. It can be found repeated in the popular literature of our day, which is sadly lacking in all fundamental principles.

Hence, too, the consequence drawn by Socialist and others, that not merely the confiscation of the productive property of citizens, but likewise the offering or refusal of any payment in compensation for it, are purely matters of expediency to be determined at the will and whim of a victorious party. This would logically follow if the right of ownership were conferred by the State and held at its good pleasure only. As the law alone had created this right by an arbitrary edict, so the law could take away the property of citizens, confiscate it without any " by your leave," and without offering a penny in compensation.

Such are the intensely practical consequences, sufficient to overturn all civilization, that flow from a single philosophical error touching upon this important question. The weal or woe of the world is determined far more than men realize by the theorist and the philosopher.

The doctrine that private property owes its existence to the laws of the State was propounded by Hobbes in his "Leviathan." All other rights of citizens were derived by him from the same source. From England the false theory passed into France and Germany. Destructive of practically all natural rights, it became an excellent justification for the aberrations of Socialists and communists. Nothing but the law now stood between the property-holder and his possessions. Change the law and you change the owner. Such was the Socialist doctrine. Churches and private schools, as well as land and factories, could on the morrow be arbitrarily taken by the State and applied to its own uses or distributed among new owners. No injustice would be done and no complaint could be made. It all follows from the one false principle. Atheistic capitalists hardly dared to act up to the full possibilities of their own principles, but men of the Bolshevist and extreme Socialist type are not to be deterred from pushing their theories to their logical consequences.

Catholic doctrine, on the contrary, teaches that as the individual and the family precede the State, so their rights, including that of ownership, are prior to the State. They cannot, therefore, be

derived from it. Men do not exist for the State; but the State exists for the individuals and families within its care. Its function is to guard their individual rights and to harmonize them with the general welfare. The State neither creates nor confers them. Private owners, therefore, may use and dispose of their property, freely and without any interference on the part of the State, except only in so far as the social order and the public good are affected. Just here for the first time the power of the State enters, not however by virtue of any rights of ownership which the State is presumed to possess, but solely by virtue of its power of jurisdiction. This distinction must be carefully noted, since it underlies all that can be said upon this important subject.

The significance of this principle is plain at once. Since the State has no rights of ownership over any private possessions, held individually or corporately by its citizens, it follows that the State cannot dispose of one foot of private land or one penny of private wealth according to its own arbitrary will and pleasure, even should that will and pleasure be expressed through the ballot box, by a majority of Socialist voters. They, no more than czar and emperor, can claim the right of

ownership over the private possessions of citizens. It matters not whether these possessions consist of a boy's whipping-top or of the latest factory built by Ford. The principle is absolute and there is no exception.

Yet though the State has no rights of ownership over private property, it has rights of jurisdiction. It cannot dispose at its pleasure or for its own interests of any private possessions, for this would imply ownership, but it can and must exercise its power so far as the general welfare requires, and no further. For this the State has been instituted, that it may consult and safeguard the common good.

"The temporal goods which God commits to a man are his indeed in regard to property," says St. Thomas, "but in regard to use they are not his alone, but others also who can be sustained by what is superfluous for him." If the individual owner neglects his social responsibilities, it is the duty of the State to enforce their observance.

But often it may be difficult for the individual correctly to perceive these obligations. In general, too, many of these obligations cannot be wisely carried out except by subordination to some governing authority which regulates them. Hence

rightfulness of the imposition of special income taxes, of the assumption of public ownership in certain particular fields, and of all similar measures enacted in conformity with the general welfare. In none of these instances is the State usurping the rights of ownership, if its action is demanded by the common good. Its laws, however, must take into account the well-being of all classes. No more than the just burdens should be placed upon the shoulders of property-owners, and Socialistic confiscation is always unjust.

Reference is often made to the right of "eminent domain." This power can be sufficiently understood by what has already been said. It merely implies that in such exceptional instances as have been mentioned, the State may appropriate certain private properties required for the common good, making due compensation to the previous owners. This does not justify a general confiscation, even of productive property. Neither is any such consequence implied in the right of taxation, as Socialists and others argue. This, too, is a strictly limited right which merely draws upon such portion of the property as the existing needs of the State require. It takes a portion of the property and therewith preserves from violation and sus-

tains intact the entire property, both public and private, of the citizens.

The correct relation of the individual and of the State to the possession of private property can be briefly stated. The right of acquiring private property belongs by nature to every man. Because man alone of all animate creation is gifted with reason, he must have the right to provide for the future as well as for the present moment. This he does by the acquisition of stable and permanent possessions. "Hence man can possess not only the fruits of the earth, but also the earth itself; for of the products of the earth he can make provision for the future." This right, as Pope Leo XIII adds, is not given him by the State, but is prior to the State:

"Man is older than the State, and he holds the right of providing for the life of his body prior to the formation of any State. And to say that God has given the earth to the use and enjoyment of the whole human race is not to deny that there can be private property. For God has granted the earth to mankind in general; not in the sense that all without distinction can do with it as they please, but rather that no part of it has been assigned to any one in particular, and that the limits of private possession have been left to be fixed by man's own industry and the laws of individual peoples."— ("The Condition of Labor.")

While therefore the right of acquiring property is derived from nature and not from the State, the

actual acquisition of private property is not determined by nature, but depends upon external facts, such as mere occupancy in the beginning. Moreover the jurisdictional power of the State is lawfully invoked to limit and regulate the rights of ownership that they may be made to harmonize with the general welfare.

Such action became particularly necessary when all the land had already passed into private and public possession. Those who now held no private title to the land had likewise by nature a right to live from the fruits of the land. It was the duty of the State, therefore, to see that all were provided from this common storehouse. Hence the further duty of the State to regulate the privileges of private ownership, so that no one, who duly performs his allotted task in life, may be excluded from the reasonable use and enjoyment of what God has made for all mankind.

"Moreover, the earth, though divided among private owners, ceases not therefore to minister to the needs of all, for there is no one who does not live on what the land brings forth. Those who do not possess the soil contribute by their labor; so that it may be truly said that all human subsistence is derived either from labor on one's own land, or from some laborious industry which is paid for either in the produce of the land itself or in that which is exchanged for what the land brings forth."— ("The Condition of Labor.")

The State therefore, to resume the argument, has no rights of ownership over private property, whether this consists of land or of the industries which convert into manufactured products the raw materials drawn from the earth. But it has both the right and the duty of exercising jurisdictional power over every form of private ownership the moment the latter affects the general welfare. Yet the extent of all State action in this regard must be strictly limited by the demands of the common good. While public ownership in certain public service utilities may be desirable, according to national or local conditions, the main tendency of legislation should be, as we are constantly insisting, to enable as many as possible to become private owners of productive property in land or shares. Hence all true legislation will be equally opposed to Socialism, which would withdraw ownership from individuals to confer it on the commonwealth; and to rationalistic capitalism, which would concentrate it in the hands of a few. Such, in brief, is the Christian ideal as expressed in the teachings of the Holy See.

CHAPTER XXII

THE WOMAN WORKER

SIDE by side with man, woman is pictured walking with uplifted head towards the dawn of economic independence. To some it is an inspiring sight. To others, not so. Rightly, therefore, do all classes turn to the Church to find her attitude towards this important subject. No one has been so consistently devoted to the unfolding of woman's powers and the promotion of her temporal and spiritual welfare as the Catholic Church. We need but point to the brilliant galaxy of learned women who flourished in the cloisters of the Middle Ages or to the marvelous activities displayed by such great Catholic heroines as St. Catherine of Sienna, Blessed Joan of Arc or St. Teresa to whom even the non-Catholic world turns for inspiration and encouragement. The Church is no less interested in the women of our day, and particularly in the millions whom economic circumstances have driven from the home into the open mart, the busy shop and factory.

That woman, no less than man, should be devoted to useful occupation is a first principle of Christianity. Even in the literature of the Jewish Talmud there is a wise saying that if a woman has a hundred servants, it should not dispense her from personal work. Idleness is the mother of vice, and the proverb holds as true of woman as of man. Rich or poor, married or unmarried, engaged in gainful occupations for a livelihood or free to devote her energies to the welfare of others outside her own home circle and to the interests of the Church of God, woman has endless work to do and her hands need never rest idle.

There can be no reason and no excuse for an existence of mere leisure and social functions. The woman who lives but to be served, whose time is given to pleasure and " society," whose sole ambition is to be a thing of useless preciousness, envied or admired, is a human parasite who thrives upon the toil and blood of others.

How dignified and noble by the side of this scented creature, whose only worth is in her silks and satins, her lap dogs and her limousines, is the true Christian working girl! In her Christ lives again. Her soul is pure as lilies from the taint of sin. Beneath her drawn and tired features,

wearied after the long day's toil, is hidden, though not all concealed, the presence of the Living God who tabernacles in her breast. Who that has learned to know her does not honor and respect her? Yet what power has been able thus to uphold her dignity and preserve her purity amid the world's allurements but that same Catholic Church which is her comfort, her glory and her joy; within whose sanctuary she can find her truest rest and at whose altar she partakes of the Bread of Life?

But if the Church acknowledges the need of woman's work, both within and without the home, and has no blame to cast upon the Christian woman worker, whom she ever fosters and protects, it does not therefore follow that she approves of the condition of society in which millions of women, married and unmarried, are driven forth into the field of the world's industrial competition, whose services would be more gladly and more fruitfully rendered in the home. Much less does the Church consider this an ideal state. Such indeed is the fallacy of that typical Socialist philosophy which would constrain all alike, irrespective of sex, to take their place at the wheel of industry or in the booth of commerce. It is in a measure likewise

the error of that modern feminism which demands for every woman her complete economic independence, while denying to man the divinely-assigned headship of the family. Both these systems are equally repugnant to Christianity and to that Catholic Church which will safeguard, at every cost, the right and dignity of womankind whose high ideal is enshrined for her in Mary.

The Church has not failed to understand the economic exigencies of our time, both as they apply to the legions of women who must earn their livelihood in industry or commerce, and to the commonwealth which may stand in special need of their service in times of national crisis. Yet neither does she ever lose sight of woman's normal purpose in life. Spiritually it is the same as that of man, but in the material order it differs from his in many respects, even as in structure, function, character and aptitude woman was created different from man: "For woman is not undeveloped man, but diverse." Neither training nor education can ever make her the same as man, nor ever should strive to do so. There is an ideal of womanliness and an ideal of manliness, and both are perfect in their way; but there is no sadder spectacle for angels and for men in this sublunary

world than the womanlike man or the manlike woman.

"Male and female he created them," the Scripture tells us. This difference is again brought home to us in the consequences of the Fall. To man God said: "Cursed is the earth in thy work; with labor and toil shalt thou eat thereof all the days of thy life." But to woman He said: "In sorrow shalt thou bring forth thy children." Here therefore are clearly defined the normal occupations of both sexes for which the Almighty has especially fitted them. The hard and burdensome toil of the outer world is, so far as possible, to be the portion of man, while the gentler, but even more heroic sacrifices of home and motherhood fall to the part of woman. Hence in his great Encyclical on "The Condition of Labor" Pope Leo XIII has this to say of woman, which briefly sums up the entire doctrine of the Church on the important question of woman labor:

> Women are not suited for certain occupations; a woman is by nature fitted for home-work, and it is that which is best adapted to preserve her modesty and to promote the good upbringing of children and the well-being of the family.

Yet of the women who are engaged in wage-earning occupations outside of the home many

have not made the choice of their own heart. Others have freely chosen the state of virginity to preserve their purity for God alone, and are working out their salvation in the world rather than within convent walls. Both classes may be doing God's will according to their best lights and both classes must seek to earn their livelihood as best they can. Others, still, and these are by far the greatest number, are only temporarily engaged in gainful occupations, during their early years. A. E. Mahuteaux in the Liverpool *Catholic Times* thus summarizes the question:

> Many women fortunately will always find their happiness in receiving shelter and comfort from a father's or a husband's love. No one wants to change that. It is both the normal and the ideal. But what must happen to the large number of women who have neither father nor husband? From whose kindness and solicitude will they receive the necessary means of subsistence? And if in honor a woman may not receive them from any other, how can she procure them except by her own skill and effort? And how, in the present state of our social economy, can that skill and effort be exercised except in competition with her fellow-beings, men and women alike?

Woman's place, therefore, as the writer observes, is wherever Providence has given her duties to perform; for no woman's hands may be idle, whether she labors for herself or for others. Some have their duties in their own home or in the home of others, and some have their duties in

hospital, workshop, school or office. There are certain classes of work which are rightly to be restricted to men, and there are others which woman can perform as well or perhaps far better. The domestic sphere is their own by nature. For the rest it matters not what we do, provided we do well what God's Providence assigns us. It is the love of Him that gives to every act its highest value and it is this alone that can raise to a fine white flame of devotion these little lives of ours, whether they burn in cloister, home or workshop.

Nothing of all this conflicts with the Holy Father's teaching, that woman is by nature fitted for home-work and that it is this which is best adapted to preserve her modesty and prepare her for her normal duty as wife and mother. It is in the latter function that she can render to society her greatest service, unless indeed she choose for her sole Spouse Christ the Lord, that she may become the spiritual mother of souls.

Clearly, then, it is the duty of the State to provide, so far as possible, that woman shall be enabled to follow her primal vocation of motherhood. If already a mother she must be given the opportunity to devote to her children all that attention and care which make industrial occupations

in shop or factory impossible. Her place is now in the home, with her little ones. This, as we cannot too frequently repeat, is one of the most urgent reasons obliging the State to secure an adequate family wage for every adult male laborer. Thus will he be able, in the early years of his manhood, to offer a home to the woman of his choice where she can happily perform the duties of a Christian mother, undisturbed by that struggle for existence whose weight should rightly fall upon the husband's shoulders. Her own duties, if conscientiously performed, may far more than balance this burden, while the claims of charity will leave no moments idle on her hands.

Both statistics and experience show conclusively that, in general, married women will gladly withdraw from industrial and commercial life if a suitable family wage is paid their husbands. Their withdrawal, like the prevention of child labor, will in turn react favorably upon the labor situation, will lessen unemployment and tend to raise the wages of the men.

But there is a duty likewise imposed upon the individual man and woman. It is the duty of thrift and moderation, and unless this is better observed by all classes there can be no solution of

our problem. We are living in an age of extravagant expenditure. The rich by the neglect of their stewardship, using their surplus wealth as if it stood at their free disposal and were not intended for the common good, are setting an example of lavish living which the poor are imitating in their own degree. The spendthrift young man cannot hope to support a wife, even though an adequate wage be secured for him, while the earnest and ambitious worker will wisely fear to marry a girl whose extravagance of dress and amusement forebodes disaster to his limited earnings. "I will not be hard to keep," was the assuring remark made by a simply yet faultlessly dressed American girl to the happy young man whose heart and hand she had accepted. There was no thought of narrow parsimony, but of that wisdom which builds a successful home and that motherliness which provides for the little ones who are to be the joy of the parents' youthful days and the glory of their declining years.

Until, therefore, every man is assured a family wage, and rich and poor alike return to the simplicity of Christian life, it would be futile to hope for a satisfactory solution of this particular phase of the problem of the woman worker. The wage-

labor of countless women is to a great extent unnatural, because unnecessarily enforced upon them through capitalistic greed, through inadequate legislation and through personal habits of thriftlessness and excess. Socialism has studiously fostered the latter, though little urging was needed in this direction. The luxury of the rich was even far more culpable in the example that it set. We must prepare for a future reconstruction in which woman will be given ampler opportunities to promote both her own happiness and that of the race.

CHAPTER XXIII

THE WOMAN LABOR PROBLEM

THE problem of woman labor has become of permanent interest and importance. The world war merely lent to it an added significance. It is a strictly modern problem. The industrial work of women in the Middle Ages was usually confined to assisting father or husband in the home, which was often likewise the workshop of the master tradesman. Yet this was a limited and casual occupation. There was other work for woman's hands to do, that never rested idle.

It is true none the less that women often held a place in the trade gilds and there is mention even of a gild of women goldsmiths. It was a craft calling for delicate skill rather than strength, and woman's nimble fingers might therefore ply it with special success. Gild regulations in general did not overlook the wives and daughters of the gildsmen. They were to uphold the honor and good

repute of the organization and in return to receive its fullest protection during the life of the gildsman and particularly after his death. The only person who might conduct a trade by proxy was the widow who desired to continue her husband's business and was permitted to leave the master-work which this implied to a paid workman.

The first oppressive labor statutes against women that have come to the writer's notice were those enacted by a woman. They are contained in the labor code of Queen Elizabeth, known as "5 Eliz. cap. 4," and admirably illustrate the summary way in which labor difficulties were settled in the post-Reformation day. A servant problem had evidently arisen with the increase of wealth and luxury on the part of the rich, and the deep and hopeless depression of the laboring classes that followed upon the Reformation. To supply the desired number of domestic servants it was enacted by Queen Elizabeth that unmarried women between the ages of twelve and forty years could be assigned by the local magistrates to service at such wages as these magistrates should determine. If a woman refused she was to be committed to ward until she consented. The delicate prison attention bestowed upon such recal-

citrants in the days of "Good Queen Bess" did not encourage any hunger strikes. In practice women might thus be turned over as bondslaves to any employer, against both their own wish and against the will of their parents or guardians, to labor for any wages the magistrate might assign. There was no merciful limit set to the hours of labor or the nature of the work that might be imposed upon them.

Woman's more general entrance into the industrial field, outside of the home or apart from domestic service, was to follow upon the invention of machinery. Not that the actual conditions which then came about were necessitated by this invention, but because labor had been handed over to the merciless greed of capital under a system that was no longer influenced by the saving principles of the Catholic Church. Woman consequently was to be exploited in common with man, and even her helpless little ones were not to be spared by "the greedy speculators," as Pope Leo XIII wrote, "who use human beings as mere instruments for money-making."

For generations woman was to furnish the "cheap labor" of the world. She was to be placed in competition, not merely with men and

with her own sex, but with the newly invented machinery itself. It was often found less expensive to employ the deft hands of woman labor than to purchase the costly devices of the modern era of industry. In a million sweat shops and a million homes the song of the shirt was repeated from early morning until late at night: "Work! work! work!" till the brain began to swim and the eyes grew heavy and dim. Far better had been the condition of woman even under that earlier serfdom which the Church had slowly worn away by the power of her doctrine, whose whole tendency was to make man and woman alike free in Christ.

While the new form of sweated labor did not elevate woman, it degraded man through her. It brought about that other equally modern problem of unemployment, and clogged the labor market with starving men and women ready to slave for any pittance. Wages were accordingly depressed. Often an entire family, husband, wife and little children, together labored for a wage far less than was due to the father of the family alone. We need not go beyond the United States for illustrations. Thus in the summary of a New York State factory investigation some few years before the war we find the following statement in a clipping

made at the time from an A. F. of L. *News Letter:*

"Testimony has been adduced which shows that in many instances the children were compelled to work or the entire family would face starvation. It was shown that the prices of the necessities of life are higher than ever before in the history of the United States and the earnings of the tenement dwellers so low that, even with the entire family working, the average was only $7 a week. The stories related under oath are almost unbelievable in their recital of hunger and misery. They deal with women working side by side with men in iron foundries, performing tasks far beyond their strength, and subject to sudden changes in temperature which result in many instances in fatal diseases; of women working nine to fourteen hours nightly in factories and mills, and of mere children working in canneries until long into the night. Babies of eighteen months are being trained to sort out artificial petals, and children of tender age, some less than five years, are being used to take advantage of the Christmas holidays to dress dolls, extract meat from nuts, etc."

"It's O! to be a slave along with the barbarous Turk," if this is Christian work. Child labor is closely connected with oppressive woman labor and is based upon the same pagan philosophy which the Holy Scripture described as especially peculiar to the men of the generation in which Christ was to be born: The things which are weak are found to be nothing worth.

There is a reaction in our day which would postpone unreasonably the age at which children may be permitted to work in gainful occupations and aid in the support of the family. Work of

every kind is in fact to be kept from the growing child even in the school and in the home. This almost equally dangerous excess must not permit us to overlook the real evil. Both extremes must be combated alike for the sake both of the home and of the child, as well of society in general. But it is with the sins of commercialism we are here concerned.

With the mother forced to sweated labor, the child was soon obliged to help her. With the mother entering the factory, the child was made to follow. It was the condition against which Pope Leo raised his voice and against which Cardinal Manning so strongly wrote long before our Child and Woman Labor laws had in any effective way remedied this barbarism. Men complain, wrote the great Cardinal in his comment on the Labor Encyclical, that employers prefer the cheaper work of women, and women are finding that employers prefer the cheaper work of children. "It is the old formula of modern political economy, 'Sell in the dearest market, and buy in the cheapest.' What is cheaper than the work of women and half-timers?" A normal state of wage-earning should not merely put the wife back into the home into the midst of her children, as he says,

but likewise protect the home itself against the encroachments of that stealthy greed to which nothing is sacred. Here is a picture of child labor as a radical poet describes it. Such facts have helped to make our Socialists and anarchists:

"Lisabetta, Marianina, Fiametta, Teresina,
They are winding stems of roses, one by one, one by one,
Little children who have never learned to play;
Teresina softly crying that her fingers ache today;
Tiny Fiametta nodding when the twilight slips in, gray.
High above the clattering street, ambulance and fire-gong beat,
They sit, curling crimson petals, one by one, one by one. . . .
They have never seen a rose bush nor a dew drop in the sun."

Thus for the sake of the unholy dollar were mothers and children alike oppressed and their souls and bodies left blighted and stunted. What rendered the problem doubly difficult was the fact that both women and children were often prepared to enter into conspiracy with their sweated-labor bosses to evade the provisions of the law when this had at last been enacted. But what were they to do? For they must live, and too often the law had failed to make provision for this. To abolish tenement labor, for instance, and not provide for those who must thus sustain their existence, is ill-considered legislation.

But if these are serious difficulties, it is even still less possible to organize such women. The organization of all woman labor has everywhere been extremely difficult and unfortunately radicalism often played a dominant part where such organization was achieved.

Labor unionism has for its own self-protection earnestly worked at the total elimination of child-slavery and of the unnatural conditions and interminable hours of woman labor, and with no slight success. It has particularly fought to secure for women the same wages that are accorded to men at the same labor. Here too its purpose has been self-protection. It has sought to reduce still further the existing competition and guard the wages of male labor.

It is reasonable that woman should be paid according to her productiveness. Under normal conditions an equal wage with man should imply an equal service. In whatever industry her productiveness may be less than that of man, her wage will also naturally be less. This plan was followed by the United States Government, when in its war labor program it demanded that where women were obliged to replace men: "The standard of wages hitherto prevailing for men in

the process should not be lowered where women render *equivalent services.*"

As regards the enactment of minimum wage laws we must however clearly distinguish between the *lowest* wage that may be paid to the adult woman and that which may be paid to the adult male laborer. The former must receive no less than an individual wage which will suffice to support her independently of any external assistance. Though some girls there are who work for "pin money" or clothing, cumulative evidence shows that the vast majority are aiding in the support of a family or are living alone, exclusively dependent on their earnings. But while the adult woman worker should receive at the least a living wage, the adult male laborer should receive no less than a full family wage. This will either enable him to marry or to support, in Christian decency, the wife and children whom God has already given him. "The minimum wage," says Cardinal Manning, "must be sufficient to maintain a man and his home. This does not mean a variable measure, or a sliding scale according to the number of children, but a fixed average sum."

We have so far dealt mainly with what may be

regarded as the historical aspect of the question and have touched upon certain phases only of the great problem in the present chapter. We shall now turn to still other fundamental considerations to which this subject gives rise in our day.

CHAPTER XXIV

WELFARE OF THE WOMAN LABORER

AFTER all the decades of years that have passed since the appearance of the Labor Encyclical of Pope Leo XIII, no flaw has been found in any detail of that remarkable document. We may therefore safely trust in the wisdom of the Sovereign Pontiff when he tells us: "Women are not suited for certain occupations." Wifehood and motherhood are the goal of the vast majority of our industrial woman workers. This is made plain by the fact that by far the greatest number of these women laborers is under the age of twenty, showing that soon after this period many discontinue their employment for a home life. Women themselves therefore confirm in practice the truth of those other words of the illustrious Pontiff, that "A woman is by nature fitted for home-work, and it is this which is best adapted to preserve her modesty and to promote

the good up-bringing of children and the well-being of the family."

The occupation that will naturally best prepare woman for her normal purpose in life, is the round of household duties, whether in her own home or the home of others. Yet domestic service, though often far preferable to shop and factory labor, does not appeal to all. The reasons need not here be considered. The thirteenth United States census, taken in normal times, showed nevertheless that about one-third of the total number of women employed in gainful occupations were engaged in domestic and personal service, in which they doubly outnumbered the men. Only in professional and clerical work did they otherwise remotely compare with the men in numbers. Here, too, therefore, the facts fully support the wisdom of the Holy Father's words in regard to woman's work.

It was no less positively supported in the recommendations of the United States War Labor Board when it laid down the rule that even in these trying times "women should not be employed to replace men in occupations or places of employment clearly unfit for women, owing to physical or moral conditions." Specific instances

were given in illustration, as barrooms, pool-rooms, mines or quarries. "In addition, girls under twenty-one years of age should not be employed in occupations or places of employment clearly unfit for them, owing to their youth." Occupations mentioned were the public messenger service, street-car service and employment as elevator operators or as bell boys in hotels and clubs. These principles were approved at the time by all the production and distribution agencies of the Government.

Extraordinary emergencies, unusual remunerations, or motives of purest patriotism may induce women for the time to fill the places of men in occupations to which woman is least adapted by nature. The temporary success and the eclat given to such work in the popular press do not prove that it will be normally conducive to the welfare either of woman herself or of the race. It is folly to strive to ignore the fact of sex; to overlook the differences of organism, structure and function. It is in effect to disregard the creative will of God which made us, male and female, with diverse aptitudes and powers, suited to diverse purposes in life. Even an equal muscular strength would give no ground for the conclusion that the

work of men and women can ever be made simply interchangeable.

Labor that implies great physical fatigue and continued strain will always remain the normal portion of man. Women, as physical experts tell us and experience proves, are by nature predisposed to nervous troubles. Their sexual functions weaken the nerves, and nervous tension will therefore exaggerate any evil tendencies to which they may be prone. The remark of a factory girl, that she felt "like screaming" whenever the machines came to a sudden stop at night is characteristic. Constant vibrations, such as those of a mill, wrote D. R. Kier in the *Popular Science Monthly*, act upon their nerves as light tappings do upon steel.

"The effect of the strain of industry, then, is to add mental to physical fatigue, destroying the recuperative power of the body. Since the sexual organs and the nervous system both take the same food elements from the blood and are delicately adjusted to each other, the toll industry takes of the nerves is sooner or later reflected in organic maladjustments. As with monotonous work, so with industrial diseases no direct result on the fecundity of women can be pointed out. The harm comes indirectly through a lowering of general vitality and nerve strain."

Various industrial poisonings seem to be more harmful to women than to men, and have exceedingly disastrous effects. "It is rare for a woman

working in lead fumes to give birth to a healthy child at term. Often the poisoning results in sterility." Similar evil effects due to various kinds of injurious factory work, lifting heavy weights or running foot-power machinery, might readily be enumerated. Malnutrition too plays its part where woman has no time properly to prepare her meals. Statistics need not be quoted to show the fearful toll in life or health to be paid by children of such factory mothers. Lactation is of necessity interfered with to the serious injury of both mother and child.

"The survivors of this heroic treatment grow up, never having had sufficient nourishment. When it comes their turn to go to work, they do so not equipped with full vigor to meet the increasing stress of such work, but in a weakened condition, and are susceptible to all the ills before mentioned."

Thus the future mothers of the race are undone in their very babyhood, and even before they have seen the light of day. Worst of all, we now find not only the social and economic, but all the moral factors which have caused a world-wide decline in the birth-rate, operating in the various groups of working women. The immorality of irreligion has thus found its expression among them in many and various ways. Against all these evil influences, physical and spiritual, our women labor-

ers must be guarded and protected by sincere Christian social workers as well as by the influence of the Church herself.

While the wages of men remain insufficient for the support of a family and married women continue their labor in the factories or other places of employment, it is clear that strict laws must provide for the right of the offspring, so that an ample period of rest is ensured the mother immediately before and after the advent of a child. Here, as elsewhere, women workers in factories are likely, of their own accord, to aid the employer in circumventing the law, or to do so even against his will. In the same manner laws enacting shorter working hours are worthless once an extension, or over-time work, is made possible — except perhaps under the most careful restrictions — for here too women workers often readily lend themselves to an evasion of the law. It is the duty of the State in many cases to protect such laborers against themselves. There may be less need for this, however, once a full living wage has been secured for every woman worker.

In regard to the night work of women, Josephine Goldmark concludes, from the experience of the past, that such work will be considered

necessary and inevitable until it is positively prevented by law. So, too, the excessive hours in laundry work, which were wont to run up to twelve and fourteen hours at the end of the week, were claimed to be unavoidable: "Because the laundries are obliged to return promptly linen from hotels, barber shops, restaurants, etc." But necessity readily suggested another way out of the dilemma. It consisted in adopting the very simple remedy of laying in a larger stock of such linens, in place of relying upon the nervous overwork of poor, helpless girls and women. Similar solutions can be found elsewhere, once men are made to realize that human life and happiness are of more value than an extra stock of linen or any other trifle added to the working expenses of their business.

But far worse than all these evils are the temptations to which working girls are only too frequently exposed in offices, shops and other places of employment. Besides their service, the price of their virtue is asked. This holds true not merely in isolated cases, but in countless instances to which any man of experience can personally point. In all such infamous violations of morality there should be absolutely no mercy shown by the

law to the brutal seducer. Yet who, ordinarily, in any particular case, is ever concerned about this most hideous of all the phases of our modern commercialism?

Here is a picture drawn some years ago in the *Outlook*. It tells but a small part of the story, but we can readily understand the rest. The writer briefly relates the grievances of the woman workers as gathered at the time of a laundry strike. It is again, we are advised, the "Song of the Shirt," yet this timc, not of its sewing, but of its washing:

"The girls and women have told me of the inhumanly hard work in the busy and holiday seasons — eighteen, nineteen and twenty hours at a stretch. I have heard of the washers' terrible attacks of rheumatism from standing day after day, and week after week, ankle-deep in water in the wash kitchens; I have heard of fingers lost in the mangle and other machines; of the young girls who fall like flies, as one of the strikers put it, in the terrific hot weather during the summer. And there are conditions in the laundry industry that one cannot even speak about — that one can only suggest — when girls and women and men work together long, monotonous hours where there is absolutely no privacy, no chance for decency and self-respect. Perhaps one woman told the whole sad story when she said: 'Little Katie, she was such a nice little girl when she first came to this laundry, but I nearly died when I saw her in them grand clothes in the street.'"

That indeed is the saddest and the most inhuman part of it all! In the private office, as well as in

the store and factory, is that last tragic chapter enacted all too often. Economic necessity, human frailty and perhaps the lure of fine clothing, are the setting for the scene. Yet the law has rarely touched this evil.

Can women, then, be too circumspect? Can they fail to see the wisdom of the Holy Father's words? Can occupations be deliberately chosen by them, or for them, which must of necessity do violence to that spirit of modesty and purity which is the jewel of woman's soul, and which can be so readily lost by her at any unguarded moment. That modesty, we know, has been made cheap and vile upon the stage and in the movies, in our illustrated magazines and Sunday supplements, and in so much of our sensuous, sexual, novel literature; but in the name of all that is sacred, let Christian men and women not stand by and permit the poor working girl to be robbed of the one treasure she possesses. Nothing in all our modern social work and social literature is more inhuman and diabolic than the constant and studied attempt, in the name of progress and evolution, to destroy the modesty of woman.

The working woman needs protection, the protection of Christian men and women, the protec-

tion of the law against all unwomanly conditions. She requires reasonable hours, the minimum wage, the abolition of night work, the safeguarding of her maternity and fecundity, the abolition of child labor, the removal of all circumstances that expose her to physical injury and above all the conservation of her modesty, her decency, her purity. We cannot be indifferent in this great matter. As are the mothers, so will be the race.

Here again we can profitably revert to war regulations, made when the employment of women was incomparably more necessary than it ever can be in the normal days of peace. The following orders of General Crozier, setting the standard for woman labor, deserve more than passing attention:

Existing legal standards should be rigidly maintained, and even where the law permits a nine or ten hour day, effort should be made to restrict the work of women to eight hours.

The employment of women on night shifts should be prevented as a necessary protection, morally and physically.

No women should be employed for a longer period than four and a half hours without a break for a meal, and a recess of 10 minutes should be allowed in the middle of each working period.

At least 30 minutes should be allowed for a meal, and this time should be lengthened to 45 minutes or an hour if the working day exceeds eight hours. Meals should not be eaten in the workroom.

The Saturday half-holiday should be considered an absolute essential for women under all conditions.

For women who sit at their work, seats with backs should be provided unless the occupation renders this impossible. For women who stand at work, seats should be available and their use permitted at regular intervals.

No woman should be required to lift repeatedly more than 25 pounds in any single load.

When it is necessary to employ women in work hitherto done by men care should be taken to make sure that the task is adapted to the strength of women. The standards of wages hitherto prevailing for men in the process should not be lowered where women render equivalent service. The hours for women engaged in such processes, of course, should not be longer than those formerly worked by men.

No work shall be given out to be done in rooms used for living purposes, or in rooms directly connected with living rooms in any dwelling or tenement.

There is need of organization on the part of the Church. Social and economic, as well as religious instruction must be given to our girls that they may help themselves and aid others, for they have a great duty towards each other. No power is so great in their world of thought, no influence is so trusted and obeyed, as the power and influence of the Catholic Church. It must therefore be used to the utmost for the salvation of modern woman, and in particular of the working woman, who in all her needs, her struggles and temptations must ever be most dear to the heart of the Church.

CHAPTER XXV

CHRISTIAN DEMOCRACY

CHRISTIAN Democracy is the highest expression of social science illuminated by the light of faith. The name itself, as Pope Leo XIII was careful to explain, is not meant to convey any political significance. There is question solely of a democracy of social endeavor, a "popular action" for the common welfare in which all alike are to participate. It does not preclude the efficacy of the ballot, but rather supposes the full and intelligent Christian use of it as a powerful means for the promotion of social justice.

Christian Democracy is based upon the fundamental truth that society is a moral organism: a social body all the members of which are united for a common purpose, by a common bond of brotherhood, under the common fatherhood of God. "No one lives in a community for his personal advantage only," says Pope Leo XIII

in his Encyclical on "Christian Democracy," cited throughout this chapter; "he lives for the common good also." Each member is therefore to contribute his own share towards the welfare of the entire body, and that body, in turn, must reasonably provide for the welfare of its individual members. In every conflict between private and public interests the former must yield to the latter, since the common good is the supreme social law. This, however, does not imply the Socialistic abrogation of inviolable individual rights. It does not imply the negation of all private capital, but its proper restriction and regulation. Due precedence must, moreover, be given to all the interests of a higher order. Right reason demands that spiritual claims prevail over merely temporal considerations.

Christian Democracy is earnestly concerned for the welfare of all classes of society, yet it openly professes to devote itself primarily to the interests of the poor, since they, in particular, stand in need of its assistance. Its chief aim is thus expressed by the Sovereign Pontiff:

> To make the conditions of those who toil more tolerable; to enable them to obtain, little by little, those means by which they may provide for the future; to help them to practise in public and in private the duties which morality and religion inculcate;

to aid them to feel that they are not animals but men, not heathens but Christians, and so to enable them to strive more zealously and more eagerly for the one thing which is necessary: that ultimate good for which we are all born into this world. This is the intention; this is the work of those who wish that the people should be animated by Christian sentiments and should be protected from the contamination of Socialism which threatens them.

Christian Democray, in a word, is not satisfied with a national prosperity, which may be based entirely upon the excessive wealth of a privileged class, but seeks to bring about a public prosperity in which all alike can share in due measure. It has no fatuous delusions about a Socialistic abolition of classes, but neither will it admit the denial, in practical life, of the brotherhood of men. Therefore it demands a mutual love and consideration and a just regard for the full dignity of every human being made to the likeness of God. It will bitterly fight the attempts of Socialism to interfere with the individual rights of citizens, whether capitalists or laborers, but it will not less fearlessly erect an adamantine wall of public opinion and civil law against the encroachments of liberalistic capitalism, based not upon individual right but upon individual privilege opposed to the common good.

There is one lesson, above all others, which it

would bring home to the hearts of men, and this is that no social regeneration is possible in our century, or in any century, except by the aid of religion:

> It is the opinion of some, and the error is already very common, that the social question is merely an economic one, whereas in point of fact it is above all a moral and religious matter, and for that reason must be settled by the principles of morality and according to the dictates of religion. For even though wages are doubled and the hours of labor are shortened and food is cheapened, yet if the workingman hearkens to the doctrines that are taught on this subject, as he is prone to do, and is prompted by the examples set before him to throw off respect for God and to enter upon a life of immorality, his labors and his gain will avail him naught.

So likewise the additional profits of rationalistic capitalism, without regard for God and His Commandments, will be new millstones hung around its neck to sink it deeper into perdition. Nothing can ever still the unrest of a State in which godless labor is gathering its resources for a combat against equally godless capitalism. Neither will ever be satisfied; neither will ever say enough, whether there be question of wages on the one side or profits on the other. The law of force alone restrains them, and when this dam is broken nothing but the deluge can follow. Labor and capital will alike be involved in the common ruin. To save civilization from this impending catas-

trophe, Pope Leo XIII solemnly sent forth his warning to the world:

> The condition of things at present proclaims, and proclaims vehemently, that there is need for a union of brave minds with all the resources they can command. The harvest of misery is before our eyes, and the dreadful projects of the most disastrous national upheavals are threatening us from the growing power of the Socialistic movement.

Hence the imperative need of the Christian Democratic movement, equally opposed to Socialism on the one hand and to rationalistic capitalism on the other. While this method is distinguished from Socialism by the fact that it preserves inviolate all the true rights of property, it is no less sharply contrasted with unrestrained capitalism by its demand for a regulation and restriction of the power and privilege of private capital, wherever they are detrimental to the public welfare. In opposition to Socialism, Christian Democracy would preserve industrial freedom and economic initiative as the mainsprings of national prosperity, but in equal opposition to encroaching capitalism it would firmly set for it the bounds defined by the greater good of the entire people.

Christian Democracy is the golden mean between the two destructive extremes of Socialistic and capitalistic excesses. It favors free coopera-

tion and such a measure of municipal or government ownership of public-service utilities as can best contribute to the general advantage of all the citizens. On the other hand it strenuously opposes the fallacy that all productive property should be made national or public. This would be a calamity for labor and capital alike. It is in violation of all the teachings of history and destructive of the common good as well as of the last measure of human liberty. It would aggravate the very evils from which we are seeking to escape by an enlightened legislation and a more Christian conception of social relations and social duties. Christian Democracy comes as the one true liberator of mankind from economic injustice and the one great teacher of Christian charity. It would bring about a wider distribution of private ownership, whereas Socialism would place upon all alike its relentless yoke of tyranny and State absolutism.

Much of the success of Socialism comes from the use of Christian Democratic measures as stepping stones to its own pernicious ends. These measures, though deprived of their religious motives and often rendered unjust or revolutionary in their Socialistic application, still contain at least

a remnant of Christian truth which is used as a bait for the unwary. Socialism, for this reason, has become more dangerous than ever. The time approaches when even the elect may be deceived.

No one, therefore, can fail to understand how important it is that the principles of Christian Democracy be firmly grasped by all Christians. It is no time for mere defensive warfare. Though combating Socialism on the one hand and rationalistic capitalism on the other, we must lift on high our own glorious standard. Aggressive action is required. The teachings of the Gospel and of the natural law must be firmly but carefully applied to all the great social and economic problems of the day.

The guidance of the Church is furthermore necessary that men may not be misled by the utterly unwarranted interpretations constantly given to the Scriptures themselves by Socialists who deny the Divinity of Christ and would make of Him a purely revolutionary agitator. Hence the need of a clear, consistent, Christian Democratic movement which, by the cogency and moderation of its arguments, can unite all men of good-will.

While Christian Democracy relentlessly opposes

the oppression of the poor, it likewise demands justice for the wealthier classes and seeks their cooperation no less than that of the laboring men. It is not, like Socialism or individualistic capitalism, a mere class system. Like the Church and the Gospel, on which it is founded, it is intended for all alike. There is no Christian who cannot and should not be a Christian Democrat. His Christian faith demands no less of him, if the Gospel of Christ is to have its practical application in his life.

Christian Democracy is not content with merely defending the just rights of the rich as well as of the poor, but it likewise recalls to both their sacred duties. While the latter may not transgress the laws of Christian morality, the former, too, are bidden to bear in mind that their responsibilities are in direct proportion to the greatness of the temporal benefits they have received. "We wish them to understand," says Pope Leo XIII, "that they are not at all free to look after or neglect those who happen to be beneath them, but that it is a strict duty which binds them."

Christian Democracy is the consummation of Christian charity no less than of social justice. It

is the practical application of the Ten Commandments and of the twofold law of love which embraces them all. It seeks to provide for the souls of men while caring for their temporal welfare. It goes about in the spirit of Christ, with malice towards no man, with good-will for all, battling for justice and the reign of love in the hearts of all mankind.

We have spoken much of social justice, but we must not forget that there is also a law of Christian charity which must be no less insisted upon in the mutual relations between capital and labor, employer and employed.

A special characteristic by which Our Lord wished His disciples to be distinguished from the pagan world about them was to be their love for one another. This would of necessity express itself in outward acts of mutual service. Greatness of opportunity was to bring with it only increase of service. Thus the Head of the well-nigh three hundred million Faithful throughout the world today, the Vicegerent of Christ, the direct successor of him to whom Christ committed the keys of His Kingdom, still rejoices in the simple title which he officially bears, "Servant of the servants of God." Such service does not dimin-

ish authority, since authority is derived from God, but its purpose is to join high and low, rich and poor, capital and labor, in one Christian unity of love for the promotion of the common good. This principle of mutual service, which is the pivot of Christian social life and government, the Gentile world had never been able to understand:

> You know that they who seem to rule over the Gentiles, lord it over them: and their princes have power over them.
>
> But it is not so among you: but whosoever will be greater shall be your minister.
>
> And whosoever will be the first among you, shall be the servant of all.

Service is the duty of every Christian and every citizen. It was because capitalism too often forgot this truth that Socialism became possible. In proportion as Christianity lost its sway over the hearts of men the masses were once more regarded as destined only to labor for the wealth, luxury and power of the rich. No wonder that the multitudes, thus divested of their dignity as Christians, in turn lost the true concept of service, and that oppression on the one hand and revolution on the other replaced the law of mutual Christian love and service. So the divine order of society, in which love was to be the quickening soul and service the visible, ministering body of Chris-

tian life, was converted into social chaos, envy and hatred. Hence Pope Benedict XV, at his accession to the Papal Chair, in the midst of the great world war, was forced to write:

> Never perhaps was human brotherhood more spoken of than at present. It is even pretended, though the words of the Gospel and the work of Christ and His Church are forgotten, that this fraternal zeal is one of the most precious features of modern civilization. But the truth is that never was human fraternity so little practised as it is today. Race-hatred is most bitter. Nations are divided more by rancor than by natural boundaries. In one and the same country and within the walls of the same city different classes of the citizens hate one another, and amongst individuals everything is governed by selfishness as a supreme law.

Never, therefore, he adds, "Shall we grow weary of urging upon men to give effect to the teaching of the Apostle St. John: 'Love one another.'" Christian Democracy is the application of this love to our social life. Love is the fulfilment of the law. The laborer asks not for alms: he has a claim to justice. But when all justice has been fulfilled the question of charity still remains. There is charity towards the employer as well as charity towards the laborer, and there may at times be great need of both.

The love of our neighbor, St. Teresa says, is the surest test by which to gage our love of God, and St. John in the ardor of his charity exclaims:

If any man say, I love God, and hateth his brother; he is a liar. For he that loveth not his brother, whom he seeth, how can he love God, whom he seeth not?

And this commandment we have from God, that he who loveth God, love also his brother.—*I John iv, 20, 21.*

Neither radical Socialist nor rationalistic Capitalist is excluded from this love, that arises out of the common brotherhood of all and is rooted far deeper in the love of God. We abhor their errors but pray that we may win them to unite with us in the great task of the establishment of a true Christian Democracy upon the earth.

This love, to correspond to the true ideal proposed to us in the Holy Scriptures, must be animated by the great purpose of seeking only the service of God in our service of the neighbor. It is necessary to remind Catholics themselves, in these days of vaunting reformers, philanthropists and self-advertised agents of "social uplift," that the Lord is not in the whirl-wind. The supernatural worth of our actions consists in the fact that they are performed by us as disciples of Christ, in His name, for His sake and for the glory of God. "And whosoever shall give to drink to one of these little ones a cup of cold water only *in the name of a disciple,* amen I say to you,

he shall not lose his reward." In this therefore lies the essence of Christian service, the prime motive of Christian Democracy, that in the name of Christ we become other saviors of men, temporally and spiritually, by the grace of God.

Perfectly to accomplish our mission we have need above all things of social education. Literature and lecture courses are indispensable, but there is also an imperative demand for Catholic schools of sociology. The Church has fully understood this important fact, and hence the many institutions now devoted to this high purpose. Individual action will no longer suffice. Scientific knowledge and scientific training are everywhere desired. Catholics must be in the van of progress and they can be so only through a thorough system of social education.

While the trend of the world's best thought is all towards Catholic ideals there is still much unsoundness of principle in the social literature and social teaching of our day. Nothing therefore can be more important than the safe and certain guidance of the Church through social education.

OUR SOCIAL AIMS IN BRIEF

As expressed in the Encyclical of Pope Pius X on Catholic Social Action, addressed to the Bishops of Italy, June 11, 1905.

I. To combat anti-Christian civilization by every just and lawful means, and to repair in every way the grievous disorders which flow from it.

II. To reinstate Jesus Christ in the family, the school and society.

III. To reestablish the principle that human authority represents that of God.

IV. To take close to our heart the interests of the people, *especially those of the working and agricultural classes,* not only by the inculcation of religion, the only true source of comfort in the sorrows of life, but also by striving to dry their tears, to soothe their sufferings, *and by wise measures to improve their economic conditions.*

V. To endeavor, consequently, to make public laws conformable to justice, and to amend or suppress those which are not so.

VI. Finally, with a true Catholic spirit, to defend and support the rights of God in everything, and no less the sacred rights of the Church.

Instaurare omnia in Christo

"To restore all things in Christ."

APPENDIX

LABOR PASTORAL OF AMERICAN BISHOPS

The author is glad to avail himself of the opportunity of inserting here the latter portion of the American Bishops' document on "Social Reconstruction," which appeared shortly after the first impression of his book. This part deals with the "Ultimate and Fundamental Reforms" that were proposed by the Committee on Special War Activities of the National Catholic War Council, after the measures of instant urgency had been discussed. Among the latter particular attention should be called, however, to one vital passage dealing with "Labor's Participation in Industrial Management." The Bishops say:

> Labor ought gradually to receive greater representation in what the English group of Quaker employers have called the "industrial" part of business management—"the control of processes and machinery; nature of product; engagement and dismissal of employees; hours of work, rates of pay, bonuses, etc.; welfare work; shop discipline; relations with trade-unions." The establishment of shop committees, working wherever possible with the trade-union, is the method suggested by this group of employers for giving the employees the proper share of in-

dustrial management. There can be no doubt that a frank adoption of these means and ends by employers would not only promote the welfare of the workers but vastly improve the relations between them and their employees, and increase the efficiency and productiveness of each establishment.

As a systematic pronouncement for the future and a philosophic foundation the following ultimate aims are then proposed by the Bishops.

ULTIMATE AND FUNDAMENTAL REFORMS

It seems clear that the present industrial system is destined to last for a long time in its main outlines. That is to say, private ownership of capital is not likely to be supplanted by a collectivist organization of industry at a date sufficiently near to justify any present action based on the hypothesis of its arrival. This forecast we recognize as not only extremely probable but as highly desirable; for, other objections apart, Socialism would mean bureaucracy, political tyranny, the helplessness of the individual as a factor in the ordering of his own life, and in general social inefficiency and decadence.

MAIN DEFECTS OF PRESENT SYSTEM

Nevertheless, the present system stands in grievous need of considerable modifications and improvement. Its main defects are three: Enormous inefficiency and waste in the production and distribution of commodities; insufficient incomes for the great majority of wage earners, and unnecessarily large incomes for a small minority of privileged capitalists. The evils in production and in the distribution of goods would be in great measure abolished by the reforms that have been outlined in the foregoing pages. Production will be greatly increased by universal living wages, by adequate industrial education, and by harmonious relations between labor and capital on the basis of adequate participation by the former in all the industrial aspects of business management. The wastes of commodity distribution

could be practically all eliminated by cooperative mercantile establishments and cooperative selling and marketing associations.

COOPERATION AND COPARTNERSHIP

Nevertheless, the full possibilities of increased production will not be realized so long as the majority of the workers remain mere wage earners. The majority must somehow become owners, or at least in part, of the instruments of production. They can be enabled to reach this stage gradually through cooperative productive societies and copartnership arrangements. In the former the workers own and manage the industries themselves; in the latter they own a substantial part of the corporate stock and exercise a reasonable share in the management. However slow the attainment of these ends, they will have to be reached before we can have a thoroughly efficient system of production, or an industrial and social order that will be secure from the danger of revolution. It is to be noted that this particular modification of the existing order, though far-reaching and involving to a great extent the abolition of the wage system, would not mean the abolition of private ownership. The instruments of production would still be owned by individuals, not by the State.

INCREASED INCOMES FOR LABOR

The second great evil, that of insufficient income for the majority, can be removed only by providing the workers with more income. This means not only universal living wages, but the opportunity of obtaining something more than that amount for all who are willing to work hard and faithfully. All the other measures for labor betterment recommended in the preceding pages would likewise contribute directly or indirectly to a more just distribution of wealth in the interest of the laborer.

ABOLITION AND CONTROL OF MONOPOLIES

For the third evil mentioned above, excessive gains by a small minority of privileged capitalists, the main remedies are prevention of monopolistic control of commodities, adequate Gov-

ernment regulation of such public-service monopolies as will remain under private operation, and heavy taxation of incomes, excess profits, and inheritances. The precise methods by which genuine competition may be restored and maintained among businesses that are naturally competitive can not be discussed here, but the principle is clear that human beings can not be trusted with the immense opportunities for oppression and extortion that go with the possession of monopoly power. That the owners of public-service monopolies should be restricted by law to a fair or average return on their actual investment has long been a recognized principle of the courts, the legislatures, and public opinion. It is a principle which should be applied to competitive enterprises likewise, with the qualification that something more than the average rate of return should be allowed to men who exhibit exceptional efficiency. However, good public policy, as well as equity, demands that these exceptional business men share the fruits of their efficiency with the consumer in the form of lower prices. The man who utilizes his ability to produce cheaper than his competitors for the purpose of exacting from the public as high a price for his product as is necessary for the least efficient business man is a menace rather than a benefit to industry and society.

Our immense war debt constitutes a particular reason why incomes and excess profits should continue to be heavily taxed. In this way two important ends will be obtained — the poor will be relieved of injurious tax burdens and the small class of specially privileged capitalists wll be compelled to return a part of their unearned gains to society.

A NEW SPIRIT OF VITAL NEED

"Society," said Pope Leo XIII, "can be healed in no other way than by a return to Christian life and Christian institutions." The truth of these words is more widely perceived to-day than when they were written, more than twenty-seven years ago. Changes in our economic and political systems will have only partial and feeble efficiency if they be not reinforced by the Christian view of work and wealth. Neither the moderate reforms advocated in this paper nor any other program of better-

ment or reconstruction will prove reasonably effective without a reform in the spirit of both labor and capital. The laborer must come to realize that he owes his employer and society an honest day's work in return for a fair wage and that conditions can not be substantially improved until he roots out the desire to get a maximum of return for a minimum of service. The capitalist must likewise get a new viewpoint. He needs to learn the long-forgotten truth that wealth is stewardship; that profit making is not the basic justification of business enterprise; and that there are such things as fair profits, fair interest, and fair prices. Above and before all, he must cultivate and strengthen within his mind the truth which many of his class have begun to grasp for the first time during the present war, namely, that the laborer is a human being, not merely an instrument of production, and that the laborer's right to a decent livelihood is the first moral charge upon industry. The employer has a right to get a reasonable living out of his business, but he has no right to interest on his investment until his employees have obtained at least living wages. This is the human and Christian, in contrast to the purely commercial and pagan, ethics of industry.

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